Business Editors on 1932 Outlook *Sudbury Mines* *What Luxury Education Costs Us*

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THE FINANCIAL POST

Canadian Mining News Department Page 16

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The Nation's Business

Why the Embargo on Exchange?
Little Evidence of Its Need
Is It Psychological?
Prime Minister Speaks Often, Tells Little

Psychology and Exchange

THERE is ample precedent for the attempt of the Canadian government, working through the banks, to control purchases of foreign exchange. Similar action was attempted in 1921, without much success, however. Practically all of the trading countries of the world, whose currencies are at a discount today, have in effect some sort of embargo on the export of capital and some sort of control of foreign exchange transactions. The prevalence of these restrictions is undoubtedly delaying world recovery for they put up the same sort of barrier to the freer flow of goods and capital internationally as has been provided by import restrictions, by unnecessarily high tariffs and by the other débris on the commercial and financial highways of this stricken post-war world. It seems to be every nation for itself in this era of supernationalism.

* * *

YET there is not enough evidence in the various official statements that have been put out by way of explanation of this embargo on capital exportation to warrant a move that advertises to the world what is not a fact—that there is a flight of capital from Canada. The whole scheme seems to be designed to have a psychological rather than a practical effect. Our dollar is at a discount chiefly because a reduced—not necessarily an unfavorable—balance of trade has coincided with a cessation of the flow of capital to Canada—in fact, with an outward flow, not of our own, but of other people's capital. It is not our citizens who are pulling up their financial stakes in Canada to invest their money elsewhere. On the contrary, Canadians have been re-purchasing their own securities held abroad, which has about the same immediate effect as if we were to buy foreign securities ourselves. We have been buying back high-grade bonds held in London. Unfortunately to pay for these it is necessary for the buyer to purchase sterling via New York which means that when he sends money to New York for the first part of the journey it depresses our dollar while the movement from New York to London is lost in the great London-New York shuffle of payments. Americans, in the rush of their banks to liquidity, have resold some of their Canadian securities and Canadians have had to absorb these. It is the re-purchase of Canadian securities by Canadians more than the purchase of foreign securities by our citizens that has helped to depress our dollar.

* * *

WE have for many years been a borrowing nation, depending upon a steady flow of foreign capital to this country to meet our debit balance of international payments. This flow of capital has been largely cut off, partly because capital is not flowing freely anywhere and partly because our governments and our national railway have already overborrowed. When such a situation occurs the corrective is for the country to curtail its purchases of foreign goods and services, to do what it can to stimulate exports and to put its affairs in such shape that capital, if and when available, may be made to flow inward again in sufficient volume to keep the international balance sheet clear. But the very circumstance—the decline in the dollar—that makes such policies essential also brings them into play. The larger the discount on our dollar the greater our advantage in foreign markets; the greater the attraction to foreign capital; the more difficult it is to import goods. Thus in the long run these corrective factors will work to restore our dollar to its real value.

* * *

UNFORTUNATELY foreign exchange transactions are likely to be a matter influenced in the short run more by psychological influences than by tangible factors. A small currency depreciation is apt to snowball into a large one without genuine underlying cause. Herein one probably finds the true reason for the present action. It is designed to have a psychological effect and it is hoped that its influence in that respect will be multiplied beyond the actual curb on capital outflow sufficiently to offset the multiplication in the other directions of adverse influences.

Apparently small consideration has been given to that school of thought that would like to see a continued large discount on the Canadian dollar—certain Western farm groups, for instance. The extra burden upon borrowing governments and corporations of the premium on their American interest and principal payments has apparently been taken as the first consideration.

* * *

Premier Bennett Waves the Flag

THE Prime Minister has done a great deal of talking since his return from Great Britain, but it

(Continued on page 2, col. 5)

FRASER COS. BOND INTEREST WILL BE MET

Understood January and February Payments Provided

EXCHANGE HELPS

Payments in U. S. Funds Help Treasury But Change in Capital Appears Likely

From Our Own Correspondent

MONTREAL.—It is understood that Fraser Cos. will pay interest due on its first mortgage bonds and three year notes, due on January 1, and that the Restigouche Co., a wholly-owned subsidiary, will also meet its bond interest on Feb. 1.

Conditions surrounding Fraser Cos. for more than a year have not been too favorable and the low market value of its securities has led to the general belief that bond interest would be passed and a reorganization effected.

The interest on the 15-year debentures was passed on April 1 last, but payments on the other issues were met in July and August.

Bad Year in 1930

At the end of last year the company found itself with an operating deficit of over $4,200,000 on the year's business, of which roughly $2,000,000 represented inventory loss, and bank loans of over $5,000,000 and a short term debt of $7,500,000. The latter falls due on July 1, 1932.

The position of the company was so weakened that steps were taken by interested parties in 1930 to bring about an improvement. To that end a group representing the bank and certain investment bankers have since taken an active part in affairs.

Current Developments

One of the first steps taken was to bring about a reduction in inventories, especially lumber, which had become abnormally large. Every effort has been made to dispose of this commodity and the result to date has been to effect a material reduction.

The pulp end of the business was improved somewhat through the completion of the Restigouche plant. This is the first full year of operations and it is expected that income from that source will be larger.

The paper division, operated by Fraser Paper Co. at Madawaska, has been fairly active, especially in producing paper for the Sears, Roebuck people.

Benefit From Exchange

In the case of lumber, sales have had to be made at low prices and though the volume of business has been more or less satisfactory, the dollar income has not kept pace. On the other hand, income from pulp and paper operations has been more favorable, due to the heavy premium on American funds.

Like the newsprint companies, Fraser Cos. sell a large part of their pulp and paper products in the United States, payment being made in New York funds. The added increment resulting from exchange into Canadian funds has been instrumental in bringing about an improvement in the company's treasury position.

It is the anticipation that a reorganization of Fraser Cos. will be undertaken, but the payment of interest on the next due dates postpones the necessity for taking any immediate action.

Coming in The Post

While we usually use this space to tell something about forthcoming features we want to use it this week to call attention to a few interesting features in this issue that will have wide interest.

In the series of articles on the rising cost of government in Canada attention is this week directed to education. There are some rather revealing facts in this article. Certainly it shows why our school taxes have been going up.

Then there is a very excellent forecast of 1932 business made by a group of men thoroughly capable of making such a survey—the editors of the leading business newspapers of the country.

On the page headed, "Your Investments" the entire space is taken up to discuss a type of investment concerning which The Financial Post has in recent months received hundreds of enquiries—installment investment certificate. The security is thoroughly analysed and the three chief companies offering these certificates are discussed. Save this article for future reference.

The mining department has been expanded to several pages to permit a comprehensive survey of the position of the different mines in the Sudbury area.

In the banking department there is an interesting discussion of "forward" transactions in New York funds.

The article in the series on foreign bonds held in Canada has been crowded out for lack of space. It will appear next week and will deal with various European bonds. The series on outstanding Canadian bonds will also be resumed, with an article on Shawinigan's issues.

Business Editors Foresee '32 Gains In Many Trades

Practically Every Branch of Business Expects Coming Year to Be at Least as Good as 1931 and Many Better

PRICE EQUILIBRIUM IS BEING REACHED

Most Retail Trades Carrying Less Than Normal Stocks—Distress Inventories in Other Fields Are Being Worked Off—Larger Advertising Volume is Foreseen

Prospects for Canadian business in 1932 are for at least as good a year as 1931 with substantial improvement in a number of fields, according to reports received by The Financial Post from editors of leading business papers throughout Canada.

Responding to a series of specific questions the editors report that in most fields volume of business has been lower in 1931 than in 1930, although trades showed seasonal improvement in the last quarter over the third quarter of the year. In a few industries and trades the physical volume of business has been higher, but lower prices have brought about a reduced volume of dollar sales. The lower values have introduced, particularly in retail stores, a serious profit problem which is being met by greater efficiency and cost reduction in every possible direction.

Tariff Regulations Stimulate Trade

Effect of recent tariff changes have proven stimulating in a number of industries, in some cases retaining a larger share of the Canadian market for Canadian firms and in other cases bringing new factories into the country, it is reported by a number of business editors.

Price tendencies are still downward and prices of raw materials and of finished products at wholesale and retail are rapidly being brought into equilibrium.

There is a tendency for manufacturers to attempt to broaden their lines in order to keep their equipment busy and their men at work. In the retail field there are varying tendencies. Those stores that have suffered from relatively high overhead, have attempted either to cut down on rent and other overhead items and to eliminate unprofitable lines or, on the other hand, to add new lines so to make better use of their plant.

Seek to Cultivate Home Markets

Industries that have previously enjoyed substantial profits from export sales, such as meat packing, flour milling, newsprint manufacture, fisheries, etc., have suffered keenly from the demoralized condition of foreign markets and the wide fluctuations in exchange and a number of these industries are now attempting to develop their home markets upon a more substantial basis.

Merchandising policies are becoming keener and one evidence of this is the virtual assurance that advertising appropriations of the larger Canadian companies will, in most cases, exceed expenditures in 1931. In some cases leading national advertisers will, in 1932, attempt to coax back prosperity by spending as much on advertising as they did in 1928, which was the peak year for most of them. At the same time, there will be closer relationships between advertising and sales departments than has previously existed.

From the numerous reports received significant trends in individual fields may be studied and are indicated in the following paragraphs.

In the textile industry, revisions in the tariff have proven of great value and the industry has reached a much stronger position than it formerly occupied. E. S. Bates, editor, the "Canadian Textile Journal," reports, however, that import competition continues severe and the situation is further beclouded

(Continued on page 3, col. 2)

Embargo Against Buying Of Foreign Securities

Investment Bankers and Brokers Protest That Their International Transactions Have Greatly Favored Canada—Fear Action May Frighten Capital

Because Dominion, Provincial and Municipal Governments face the prospect in 1932 of meeting interest and principal payments in New York which are estimated to have a total of approximately $260,000,000 Canadian chartered banks at the instance of the Federal Government, have appealed directly to brokers, investment bankers and trust companies to control, "in so far as they might be able, the purchase abroad of securities by residents of Canada."

Although assurances of co-operation have been given by all these interests, considerable amazement was expressed by investment bankers and brokerage concerns which have intimate connections with New York that a virtual securities embargo should be thought necessary to correct what they claimed was a "purely mythical flight of money from Canada." Canadian representatives of foreign brokerage and arbitrage houses doing business in Canada state that the balance of trading since exchange went against Canada has been heavily on Canada's side, that the sale of New York funds has been much heavier both by brokerage houses and by investment bankers than the purchase of New York funds and that without these operations the exchange discount on the Canadian dollar would have been even greater than it is. Figures prepared by The Financial Post Business Year Book and published elsewhere in this issue would indicate that for the entire year there has, however, been a balance on security account, against Canada.

Have Helped Canadian Exchange

Figures supplied by Canadian investment bankers and brokerage houses would indicate that, contrary to general belief, there has been a considerably greater volume of Canadian securities purchased by United States investors in the past three months than has been purchased by Canadian investors in the United States. The ratio of United States purchases in Canada to Canadian purchases in the United States is placed at two to one while the experience of individual firms runs as high as 10 to 1. The ratio would seem to have increased in proportion to the premium commanded for United States funds in Canada. There is distinct possibility that when the situation is fully realized the embargo may be lifted.

On the above basis, it would appear that the discount on the Canadian dollar in terms of U. S. funds has not been adversely affected by Canadian purchases in New York, and investment and brokerage firms in Toronto and Montreal strongly condemn the action taken early this week in placing an "unofficial" embargo on export of Canadian funds for investment and speculative purposes. Interference with the free trading of securities will involve many difficulties, it is predicted, with a resultant loss to Canada.

The high premium which the United States dollar has commanded in Canada in the past three months has served to bring investors from that country into the Canadian market to purchase high grade government and public utility securities. Purchases by Canadians in New York, on the other hand, have been largely restricted due to the discount on the Canadian dollar although some Canadian funds have gone to New York to purchase securities, largely Canadian, which were being dumped on the market at extremely low prices. In many cases where there was liquidation of Canadian securities by institutions in the United

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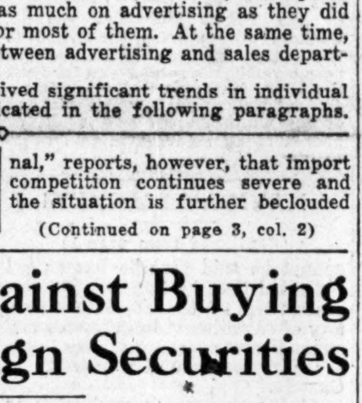
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Dec. 22	35.3	33.1
Week of Dec. 15	36.0	33.9
Month of Dec., 1930	54.5	47.4
8 Bank Stocks		
Week of Dec. 22	216	216
Week of Dec. 15	216	216
Month of Dec., 1930	247	237
10 Public Utilities		
Week of Dec. 22	56.	55
Week of Dec. 15	57	55
Month of Dec., 1930	84	75

ABITIBI POWER INTEREST PAID FROM EARNINGS

Newsprint $4 Cut for 1932 Delivery Made Up by Exchange

PREFERRED PASSED

Publishers' Supplies in U. S. Low—Hopes for Business Improvement—Merger Committee Works

Although Abitibi Power & Paper Co. has passed the dividend on its $1,000,000 of 7 per cent preference stock for the first time since 1916, this does not indicate any change in the company's earning situation from that which has obtained during the last three months. Interest due on the $50,000,000 of 5 per cent first mortgage bonds on December 1 in United States funds was paid out of earnings and the company has not to make another payment until June 1, 1932. It has therefore successfully weathered 1931, looking after every obligation from earnings.

The action of the directors in dropping the dividend on the $1,000,000 of 7 per cent cumulative preferred stock will save $70,000 in 1932, which leaves so much the more to cover bond interest. This is not a large percentage of the company's earnings ordinarily and the action was taken more because the directors felt that the $1,000,000 of 7 per cent preference stock and the $34,881,800 6 per cent preferred stock were really in the same boat and should share in the company's success or adversity in almost equal measure.

Stock Takes Back Seat

The 7 per cent preference stock, though it got quite wide distribution, is not nearly so widely distributed as the 6 per cent stock. It has shared in earnings throughout the history of the company. The 6 per cent stock came in late in 1928 and the board is understood to feel that there is a moral if not a legal obligation toward the 6 per cent stock to give it as good a chance as any stock.

However, the whole newsprint industry is regarded by executives as now on a basis which excludes all capital stock from participating in earnings. Price Bros. recently dropped earnings on the common stock, being the last to drop such dividends. Price Bros. still pays on preferred but otherwise the industry as a whole has to direct its main efforts to paying debts rather than to earning anything for the owners.

Exchange Versus Price Cut

Abitibi Power has been greatly helped during the latter part of 1931 by the premium on the United States dollar. Just now a 20 per cent premium on all shipments made to the United States is especially helpful.

The company enters 1932 with a new situation in that there will be a $4 per ton cut in price of newsprint which will command $53 a ton delivered in New York City. The mill price on the average for most companies would be about $7.50 or $8 a ton less. So long as a 20 per cent discount on the Canadian dollar obtains, however, it operates almost as an increase of $10 a ton in the price of newsprint. Deducting $4 a ton would still leave $6 a ton of the premium now enjoyed. There is admittedly a speculative element in such calculations, however, as no business man can be sure that the discount on the Canadian dollar will remain where it is. In the springtime the movement of Canadian wheat to foreign markets and the ingress of United States tourists may give an upward movement to the Canadian dollar, and many business men believe that the United States itself may adopt a somewhat inflationary policy to correct the balance of trade which begins to go against it to an extent that is causing considerable worry.

Newsprint Stocks Low

A situation, which has more promise of permanent help to Abitibi Power & Paper Co. and other Canadian newsprint companies than the exchange premium, is that stocks of United States publishers have never been so low in the history of the industry. Not one publisher has desired to buy in 1931 if he could defer to 1932 in order to get the benefit of the new prices. Newsprint companies also have carefully refrained from piling up inventories of finished goods which are not already ordered. It therefore would not take a large increase in the available demand to affect the fortunes of newsprint companies favorably. It is doubtful if the whole industry has reached 60 per cent of capacity. Greater volume rather than increased prices is the immediate hope of the industry.

Winnipeg Life Underwriters Elect Association Officers

Winnipeg Life Underwriters Association, at the annual meeting held recently, elected officers for 1932 as follows: president, Ian M. Ritchie; honorary president, C. C. Ferguson; first vice-president, E. F. Elsey; second vice-president, F. Garnett; treasurer, H. Hardern, and secretary, J. H. Griffin.

The following were elected directors: D. Shulman, J. E. McEllroy, G. C. Young, E. Olmstead and P. V. Bond.

Reported Hearst Signs With Anglo For Paper Supply

Apparent Break With Consolidated is Indicated—Hearst's Action Makes for Uncertainty in Trade and Reaction May be Widespread

From Our Own Correspondent

MONTREAL.—Unofficial information is to the effect that Hearst has renewed his newsprint contract with Anglo-Canadian Pulp and Paper Mills. It is said the price is one favorable to Hearst and that the contract has a "hedge" clause that it is valid and holding contingent upon the legal rights of other paper companies interested in the matter.

There has been a considerable discussion in certain quarters over the matter, especially in its effect upon the position of Consolidated Paper Corp. which has a contract to supply Hearst with his newsprint requirements upon the expiration of presently outstanding contracts.

This is the most important contract let by a newspaper publisher and its importance to Consolidated Paper is seen in the fact that Hearst's papers consume several hundred thousand tons of newsprint per annum.

Nothing Official Yet

At the moment there has been no official intimation or announcement that the Anglo contract has been renewed from 1933, but it is being taken for a fact in newsprint circles.

This reported action by Hearst in apparently breaking a contract with Consolidated Paper is viewed in many different ways. In the first place it is said that this step again proves the oft-repeated statement that no contract in the newsprint industry is worth the paper it is printed on. The move is also regarded as a step by Hearst to keep the Canadian newsprint industry in a chaotic state to the advantage of his particular group of papers.

It is commonly said in newsprint circles that Hearst does not care what he pays for his newsprint supply as long as he has an edge on other publishers. If he has to pay $60 a ton all well and good, as long as the other publishers pay $65 a ton. Above all, he wants an "edge" on the price he pays for his newsprint and the cost per ton has little bearing on the matter.

On the assumption that the Anglo contract has been renewed, the view has been expressed that the apparent breaking of the Consolidated Paper contract makes it all the more imperative for the newsprint producers in this country to unite and put up a solid front to the demands of the Hearst interests for lower prices.

The disruption of the newsprint market by Hearst on more than one occasion in the past has been followed by a general uncertainty in the trade with little good to the consumer and certainly to the disadvantage of the manufacturer.

Hearst Big Buyer

In a survey of the newsprint situation in the United States, conducted by the United States Federal Trade Commission last year, it was shown that the 22 papers owned by Mr. Hearst consume about 540,000 tons of paper annually. This paper is purchased by two organizations, one for papers east of the Rockies and one for those west of the Rockies. The former is the Newspaper and Magazine Paper Corp. which is of most

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Secondary Education Makes Tax Bill Grow

Second Article in Series Outlining Some of the New Ways Canadian Governments Have Found to Spend Money

By FLOYD S. CHALMERS

ITEM TWO: EDUCATION

IF WE are going to find out why our taxes in Canada have grown so rapidly[*] that they now take more than one-fifth of the national income from production, we can not overlook broader and more expensive education as an important cause. This is something that concerns the provincial and local governments. The extent of the Dominion government's interest in education has been confined to a $10,000,000 grant to the provinces for agricultural education in 1913 and a $10,000,000 grant for technical education in 1929.

Canada has some excellent school systems and in some provinces the systems are as fine as any in the world. They should be; we have spent lavishly on them.

Expenditure on education is something almost sacrosanct. Opportunity for intensive study at the expense of the state is a primary tenet in democracy. Anyone who questions the value of expenditure on education is regarded with disdain. Yet it is as important that money appropriated for education be efficiently spent as it is that any other expenditure should be efficiently made. Waste is waste, whether in schools or outside of them.

Should Spend Only What We Can Afford

It is essential that a nation keep its educational expenditures within the limits of what it can afford. It would be of small value to Canada to turn out well trained sons and daughters if the expense of training were so great as to curtail the nation's opportunities for using these young men and women creatively. Education without opportunity has small economic value. Education at a cost that stifles opportunity sets a nation back.

Expenditure on education purposes has proven a most prolific source of increased taxation. Perhaps this can be most clearly demonstrated by the following figures which show how school taxes have outrun the growth in wealth and population in Canada.

	1913	1929	P.C. of increase 1929 over 1913
Population	7,530,000	9,796,800	30.1 per cent
Wealth	$11,116,000,000	$28,940,000,000	160.3 per cent
Tot. taxation (all govts.)	226,221,000	732,412,000	223.7 per cent
No. of pupils	1,218,308	2,080,949	70.8 per cent
Municipal taxation for schools	$28,982,133	$97,394,936	236.0 per cent
Provincial expenditures on schools	6,018,206	19,038,719	216.3 per cent

Let us at once disabuse ourselves of the notion that the increase in educational costs is due solely to the declining purchasing power of the dollar. This is the smallest item in the increase. This can be demonstrated by a few simple figures.

In 1929, in Ontario, the gross expenditure on schools in terms of 1913 dollars was 228 per cent of that of 1913. Allowing for the larger number of pupils enrolled the expenditure still showed an increase of 75 per cent.

In the last year for which complete figures are available, there were 2,387,057 pupils in Canadian educational institutions and all except a few thousands of these were obtaining their education largely at the expense of the state. Each year the enrolment gains by about 50,000.

How Educational Costs Have Increased

Total expenditures on education in Canada were $102,600,000 in 1921. Total expenditures on education in Canada were $138,200,000 in 1929.

Of the increase, the municipal rate-payers contributed $20,000,000; the provinces (including the Dominion which makes a small contribution for technical education) $7,000,000.

Attendance at public schools increases at a fairly steady rate governed largely by the growth in population. So far as public schools have contributed to the rising cost of education in Canada it has been chiefly in the direction of higher salaries for teachers (and the salaries are neither uniform nor high) and in the expansion of school plant through bigger and better schools, addition of gymnasiums, manual training rooms and similar features. One other thing has led to an increase in costs, the fact that urban school attendance has increased more rapidly than rural school attendance. These factors are responsible for the fact that while between 1922 and 1929 public school attendance increased in Ontario, taken as an example, by about six per cent, cost per pupil increased by 16 per cent and capital investment per pupil increased by 23 per cent, which will tend to show in taxes in the future.

Increase Chiefly in Secondary Education

If public school costs have not risen more than that why then have educational costs and consequently school taxes — including taxes levied by provinces for their share of educational costs—risen so alarmingly in Canada? The answer will be found chiefly in the development of secondary education in its multifold branches—high schools, commercial schools and technical schools. Student population

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[*] The first article in this series, which is designed to explain the increase in public expenditures in Canada, dealt with old age pensions.

FRENCH PACT CANCELLATION IS VITAL STEP

Major Change in Canadian Trade Policy is Indicated

EFFECT WIDESPREAD

French Treaty Was Basis For Pacts With Most Leading Nations of World

From Our Own Correspondent

OTTAWA. — The abrogation of the French treaty last week is a major change in the trade policies of this Dominion. Negotiated in 1922, in the first year of the Liberal administration, it extended fixed rates of duty on a number of important commodities — rates which were not susceptible of change except by the cancellation of the treaty itself.

In the course of years, the French treaty became the expression of Canada's most favored nation tariff and was extended to other countries until as it stood on the day last week when notice of abrogation was served, it governed imports into Canada from all the larger countries of the world with the exception of the United States and Russia. The French treaty applied to France, the United Kingdom (some of the rates became lower than the British Preference), Argentine, Colombia, Denmark, Japan, Norway, Sweden, Switzerland, Venezuela, Finland, Czechoslovakia, Belgium, Esthonia, Hungary, Italy, Portugal, the Netherlands, Latvia, Roumania and Spain.

Favored France

The treaty, in many respects, was loaded in favor of France, and, therefore, in favor of the 20 foreign countries to which it was extended. France agreed to give to Canada her minimum tariff, but there was nothing permanent or fixed about it. And as years went by, France repeatedly raised this tariff until many important exports from Canada, notably wheat, were seriously cut down. It followed, of course, that the other countries also gave Canada only their minimum tariff. When minimum tariffs can rise to approximately $1 per bushel on wheat, they cease to hold out much inducement to trade.

On the other hand, Canada gave France her intermediate tariff throughout, with fixed, low duties on a number of important commodities. Moreover, the treaty frequently gave reductions of 10 and 15 per cent off the intermediate tariff. This, of course, was not serious, as parliament could change the intermediate tariff at will. But the fixed duties have been a serious obstacle to the enforcement of the "Canada First" policy. The tariff increases of the past 16 months have carried the British Preference higher than the fixed French treaty duties in many cases.

Nine Items Chief Obstacle

While fixed rates were granted on 31 separate commodities, the chief complaint against the French treaty centred upon nine items—pharmaceutical preparations, perfumes, chinaware, lace, knitted goods, velvets, silk fabrics, ribbons, and manufactures of silk. The following table illustrates how the fixed treaty rates fall below the general level of the intermediate tariff.

	Treaty Rate	Intermediate Rate
Pharmaceutical preparations	22½%	25 %
Chinaware	20 %	27½%
Lace	15 %	17½%
Knitted goods	25 %	35 %
Velvets	20 %	32½%
Silk fabrics	20 %	32½%
Ribbons	25 %	32½%
Manufactures of silk	30 %	30% plus 7c. per oz.

Silk Situation Typical

In the case of manufactures of silk, the burden of the French treaty

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SPECIAL FEATURE

Sudbury Supplement 13-15

N. Y. Interest Payments Big Burden to Payers

More Than $12,000,000 on Jan. 1 and Approximately $75,000,000 in First Six Months to be Paid in American Funds

From Our Own Correspondent

MONTREAL.—Dominion and provincial governments and the major Canadian corporations are faced with the necessity of meeting on January 1 in New York bond interest charges totalling more than $12,000,000.

The problem does not end there, for by the end of June such charges will have aggregated approximately $75,000,000. Though partial steps have been taken to secure American funds beforehand, it is more than likely that the premium paid in securing American funds may run to more than $10,000,000.

This estimate prepared on returns shown in The Financial Post Record of Prospectuses is subject to correction, but the figure given is considered to err on the side of conservativeness rather than being too liberal.

Some Anticipate Charges

It is difficult, of course, to forecast with any degree of certainty the extent of the premium that will have to be paid to meet these bond interest charges. On the current rate, it would cost around $15,000,000. Near-term payments, however, have been anticipated in a large measure, so that the cost of buying American funds will average considerably under present quotations.

Payments toward the middle of the year may be carried out on a more favorable basis. At the same time the premium on American dollars may go to even higher levels, though opinion among foreign exchange dealers here is that the trend should be more favorable toward Canada after the opening of navigation next spring.

Principal and interest payable by Canadian borrowers during 1932 in U. S. funds are estimated at approximately $285,000,000 to which must be added prevailing premium on the U. S. dollar which may increase the total by over $56,000,000 in terms of Canadian funds. Interest on government, municipal and corporate obligations will amount to some $160,000,000 while principal repayments coming due will amount to some $125,000,000.

The case of the corporations is more favorable in that a number have American business connections and derive part of their revenue in American funds. The newsprint companies in particular markets over 80 per cent of their output in the United States and receives payment in New York funds. Some of the other corporations do not market such a large proportion of their output in the United States, but sales in that market, in several instances, are reported to be sufficient to cover funded debt charges.

Corporation Charges Heavy

Of the payments to be met in the United States during the first half of next year, it is estimated that about one-half, or $37,766,045, are charges against Canadian corporations.

The manner in which these bond interest payments are spread over the six months follow:

January	1	$7,212,738
"	2	836,160
"	21	4,725
Total for month		8,053,623
February	1	2,524,760
"	15	425,117
Total for month		2,949,877
March	1	3,159,682
"	15	25,470
Total for month		3,185,152
April	1	8,289,748
"	2	109,500
"	15	259,287
Total for month		8,658,535
May	1	5,269,598
"	15	16,500
Total for month		5,286,098
June	1	7,521,320
"	2	22,290
"	4	54,675
"	15	1,539,475
"	21	495,000
Total for month		9,632,760

Interest charges to be met in American funds by the Dominion (including C. N. R. guaranteed issues) and the provincial governments aggregate $25,763,627.

The largest payment has to be made in May, when $7,660,040 falls due.

Federal Charges $8,376,000

Interest payments in American funds during the next six months period by the Dominion Government total $8,376,500. The manner in which this amount is alloted by months follows:

February	1	$ 900,000
March	1	2,485,000
April	1	2,016,500
May	1	2,975,000
Total		8,376,500

The heaviest charges of any of the governments or individual corporations is that of the Canadian National Railways, the interest on the Dominion Government guaranteed issues totalling $14,235,627, of which $4,584,857 is due on January 1 as seen in the following table:

Canadian National Railways
(Guar. Dom. of Canada)

January	1	$4,584,857
February	1	2,389,975
March	1	812,500
"	15	585,000
April	1	2,920,045
May	1	637,500
June	1	1,118,250
"	15	1,187,500
		14,235,627

Turning to the provinces, the provincial interest charges between January and June, 1932, aggregate $13,651,642. The heaviest charge will have to be met by Ontario and the lightest by Manitoba. It is interesting to note, however, that Quebec, the largest in point of population, has relatively small bond interest payments to be met in New York. This is set forth in the table below:

Alberta	$1,391,000
British Columbia	1,418,000
Manitoba	500,142
New Brunswick	733,500
Nova Scotia	955,000
Ontario	6,680,500
Quebec	761,500
Saskatchewan	1,212,000
	13,651,642

Alberta's interest charges are comparatively heavy, the total of $1,391,000 placing her third on the list. Payments to be met on January 1 and April 1 are especially heavy:

January	1	$ 253,000
"	15	119,000
"	16	63,000
March	15	55,000
April	1	586,000
May	1	148,000
June	1	167,000
Total		1,391,000

B. C. Payments Diversified

Numerous borrowings on the part of British Columbia are well illustrated by the subjoined list of New York interest payments to be met by the end of June next. The amounts are well spread over the period, the largest charge being on April 25 when the province has to make arrangements to pay interest charges of $250,000 in New York funds.

January	2	$ 97,500
"	12	125,000
"	15	140,000
"	23	144,000
"	25	50,000
March	5	82,500
"	24	75,000
"	25	67,500
April	1	185,000
"	25	250,000
"	26	60,000
June	1	20,000
"	25	50,000
"	29	121,500
Total		1,418,000

Manitoba has relatively small interest charges to meet in New York during the first half of the year, the total of $500,142 being well distributed, the largest payment being only $78,775.

February	1	$ 41,250
March	1	61,875
April	1	78,775
"	16	48,802
May	1	58,117
"	15	54,923
June	1	28,875
"	2	64,375
"	10	63,150
Total		500,142

New Brunswick Charges

New York interest charges of New Brunswick during the next six months total $733,500, the principal payment being one of $135,000 on January 15, as will be seen from the table below:

January	2	$ 21,500
"	15	135,000
"	16	52,000
February	1	12,500
"	15	34,000
March	1	62,000
"	2	19,000
April	1	67,500
"	15	99,500
May	15	99,500
June	1	64,500
"	15	66,500
Total		733,500

Nova Scotia Interested

Nova Scotia's New York interest payments are even heavier than the sister province New Brunswick, aggregating $955,000. The first payment does not fall due until February, the heaviest charges occurring in March and May.

February	1	$ 37,500
"	15	11,000
March	1	125,000
"	15	279,000
April	1	62,500
May	1	206,500
"	15	222,500
June	1	11,000
Total		955,000

Ontario Heads List

Ontario leads the list of provinces, with interest charges payable in New York funds over the half-year totalling $6,680,500. This is indicative of the heavy borrowing of this province in the New York market over recent years. Details of the charges follow:

January	3	$ 412,600
"	15	505,000
March	1	432,000
"	15	447,500
April	1	875,000
May	1	1,425,500
"	15	1,269,000
June	1	439,000
"	2	875,000
Total		6,680,500

Quebec's Charges Low

Quebec is well down on the list, having only $761,500 in interest charges to be met in New York in the next six months. Roughly half of this amount is due on March 1, there being five payments in all to be met:

January	1	$169,000
February	1	10,000
March	1	375,000
"	15	117,500
May	1	90,000
Total		761,500

Many Saskatchewan Issues

Saskatchewan stands up near the top of the list with interest payments, to be met in New York funds, totalling $1,212,000. There are 12 different issues upon which interest charges will have to be met during the coming half year, as set forth hereunder:

January	1	$ 45,000
"	2	49,500
"	15	33,500
February	1	22,500
March	1	82,500
"	15	137,000
April	1	76,500
May	1	200,000
"	15	273,500
June	1	68,500
"	2	87,500
"	15	136,000
Total		1,212,000

The aggregate total of the above payments, amounting to a little over $74,000,000, does not represent all of the interest charges on bonds to be paid in New York funds during the half year period. There are numerous municipal bond issues, the interest on which, in many cases, is payable in New York funds. Complete details of these charges are not available, but if added to corporation, Dominion and provincial charges would bring the total close to or in excess of $100,000,000.

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EMBARGO AGAINST BUYING OF FOREIGN SECURITIES

(Continued from page 1)

States the only demand came from Canada and had this demand not been present prices would have gone still lower. This is particularly true of Western provincial bonds.

The Canadian market, as a whole, is guided in its action by security prices prevailing in the United States and with Canadian demand confined to Canada it is considered likely that Canadian bonds offered in New York will reach lower price levels. Theoretically the Canadian markets might strengthen since domestic demand would necessarily be filled from domestic supply, but should prices of Canadian securities weaken in New York it is believed that there would be an adverse psychological effect in Canada which would tend to force domestic prices down.

Brokerage houses have not so far refused to transact new business in the United States for Canadian clients, but only on the understanding that the client will make his own arrangements for the necessary U. S. funds. Where business has already been transacted the recent decree is not effective and investors carrying marginal accounts in New York will be able to put up additional margin. Sending of new funds for investment purposes is otherwise prohibited and it is anticipated that investment trusts and other large investors will allow interest and dividends accruing from their investments to remain in the United States.

While investments in other countries are also affected there will not be the same effect since the volume of business is much smaller. Canadian purchases of securities in London, for example, have been comparatively small and have been done on a basis of payment in London only. The volume has been so small, however, that investment bankers were not at first asked to submit figures showing the amount of business done. Figures are now being compiled and are expected to be against Canada.

"I cannot understand how anyone familiar with the situation could advise the Prime Minister to such an action," declared one prominent broker. "The exchange rate of 20 per cent has stopped Canadian buying of New York securities to a great degree and at the same time has stimulated the movement of United States funds to Canada to take advantage of the opportunities made by the exchange differential. That has been our chief business recently. But an action like this is apt to frighten such business away. Americans won't be able to understand this new order. They have been sending their money here because they thought the situation essentially sound. When Canadian Governments with their heavy foreign borrowings have been the chief cause of the present discount on the Canadian dollar, it seems peculiar that they should attempt to stop a business which has been helping the exchange. If each government in turn would turn its eye inward with the object of cutting its own controllable expenditure, they would do far more good than by programmes of this sort launched without proper understanding."

"The new arrangement," said another manager of the Canadian branch of a New York firm, "will not affect money of Canadians which is already in the United States invested in bonds or deposited in banks. It can be kept there and used to buy in and out of many stocks if the owner desires. It will not affect stocks held on margin in New York by Canadians. Existing transactions will be respected and calls for more margin can be met. Undoubtedly there will be attempts to defeat the will of the Government in this matter. The larger firms will co-operate with the Government, but it is hard to understand how New York branches of Canadian banks can refuse to take Canadian currency and pay United States funds for it, whatever the purpose. It would be hard to explain. All that we are afraid of is that the news may have a psychological effect the other way and stop United States buying here in which case the embargo will make our exchange situation worse instead of better.

While financial houses state their willingness to co-operate it is generally felt that the action should only have been taken after consulting the brokers and investment houses who are very materially affected. A similar embargo on export of capital was in effect in 1920-21, and at that time there was a great deal of "boot-legging" of securities. While the banks may refuse and have refused to sell United States funds to investors wishing to buy foreign securities, it is pointed out that there are innumerable ways by which the edict can be disregarded.

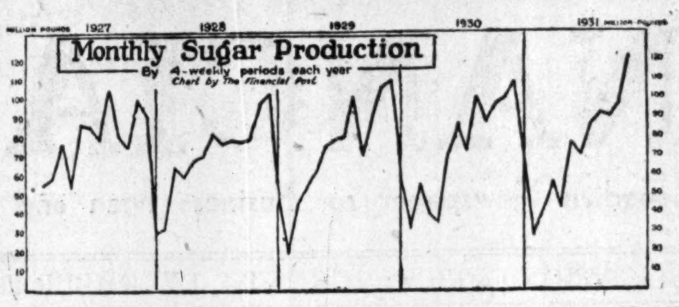
Bankers Offer Co-operation

While the arrangement to restrict the export of capital is stated to be unofficial it arose from a conference at which Canadian bankers met Premier Bennett in Ottawa on December 16. At this conference the bankers offered their co-operation and on Saturday and Monday, last, financial houses were notified directly or indirectly of the restrictions to be placed immediately on the export of Canadian capital. The announcement issued by J. A. MacLeod, general manager of the Bank of Nova Scotia, in his capacity as president of the Canadian Bankers' Association, was as follows:

> "The bankers met the Prime Minister, at his request, on Wednesday, the 16th instant, in Ottawa, to discuss the adverse exchange situation and to devise means of lessening, so far as possible, the prevailing high rates.
>
> "After discussion, the conclusion was that immediate steps should be taken, through the banks, brokers, trust companies and investment houses, to control, in so far as they might be able, the purchase abroad of securities by residents of Canada. The bankers gave the Prime Minister assurance that they would co-operate.
>
> "This means that bankers, brokers, trust companies and investment house organizations should discourage by every possible argument, coupled with a declination to facilitate directly or indirectly, such transactions, pointing out to the person desiring to purchase that the Prime Minister had made the request in view of the serious adverse exchange situation. The statement could also be made to the prospective purchaser that the Prime Minister expected that, without compulsory action on the part of the Government, there would be general co-operation along the desired lines by all interests.
>
> "On Saturday and today notice to this effect has been communicated to all interests engaged in the handling of bonds, stocks, debentures and other securities, so that everybody who is engaged in making commitments on this account may have full knowledge of the Prime Minister's request. Bankers were already committed to the Prime Minister, and there has been a gratifying response so far from the bond, mortgage and stock interests, as well as from representatives of foreign brokerage and arbitrage houses doing business in this country."

REGENT KNIT
OUTER and Sports Wear

Sugar Production at New High Peak



Sugar manufactured in Canada in the four-week period ending Nov. 7 reached an all-time peak at 121,790,000 puonds. The inflow of the new crop makes for a seasonal peak at this time of year, which together with curtailment of dumping, and active Christmas trade, is given as the reason for the high figure. The chart shows production during the past five years.

Outflow of Capital, '31 Fixed at $225,000,000

The outflow of capital from Canada abroad to redeem, re-buy and re-purchase foreign securities was $199,600,000 according to figures just prepared by The Financial Post Year Book, 1932, and which will shortly be published in detail. In addition Canada showed a net increase in her foreign investment for 1931 of $24,000,000.

Of this total, Canadians sent $150,650,000 to the United States; $43,465,000 to Great Britain and $5,485,000 to other countries. A year ago the same figures as estimated by the Business Year Book were $80,407,000 for the United States; $25,480,000 to Great Britain and $1,991,000 to other countries. The increase therefore in Canadian repurchases in the U. S. was 87 per cent and in the British total, 70 per cent. It is this flow of capital that the federal government plans to curtail by its virtual embargo on purchase of foreign securities by Canadian. This is not a net figure, of course, as against this must be reckoned the new foreign capital brought into Canada in 1931, which is estimated at $147,000,000.

The manner in which this total was made up according to the Business Year Book estimate is as follows:

Canadian Repayments Against Foreign Securities, 1931
(Millions omitted)

	U. S.	G. B.	Total*
	$	$	$
Repay. & redemption	79.9	25.1	107.0
Repurchases	51.9	14.7	66.6
Cancellations	18.9	3.6	26.0
Total	150.7	43.4	199.6

*Includes other countries.

In addition the Business Year Book estimates reveal that Canada showed a net outflow in her investments abroad of only $24,000,000 as against a corresponding outflow of $122,500,000 in 1930 and $274,366,000 in 1929. These figures are reached by estimating the amount of new foreign issues subscribed for Canada during the year ($10,000,000 in 1931) plus old foreign issues bought, and making allowance for changes in government or bank balances and direct new investment (such as in industrial plant) which has taken place during the year.

Details, in brief, are as follows:

Canadian Foreign Investments, 1931
(Millions omitted)

	U. S.	G. B.	Total‡
	$	$	$
New for. issues bought	8.	..	10
Old for. issues bought	19.	1.	25
Total	27.	1.	35
Decr. in gov. bk. bal.*	2.	3.5	11
Net increase, 1931	25.	2.5†	24
1930	17.5†	3.5	26

*And in direct industrial investment.
†Decrease.
‡Includes other countries.

NATION'S BUSINESS

(Continued from page 1)

cannot be said that he has as yet indicated that he has any genuine realization of the absolute necessity of curtailment in governmental expenditure as the primary basis for a restoration of prosperity in Canada.

At the newspaper conference in Ottawa last week the Prime Minister made statements that were interpreted in newspapers all over Canada as an assurance that Canada would receive a quota of 56 per cent of Great Britain's wheat requirements under the British Government's new scheme. It was necessary for the British Government to correct the impression gained from Mr. Bennett's remarks. No doubt the newspapers took up Mr. Bennett more definitely than he intended. Mr. Bennett has apparently been misinterpreted in newspaper interviews to a greater extent than any other Prime Minister in Canada's history, which may suggest either that the quality of press reporting at Ottawa has deteriorated very rapidly, or that Mr. Bennett is not a very precise commentator.

* * *

THE Prime Minister gave two addresses in Toronto last week. Both of them were confined to generalities. There was much flag-waving. Some time ago the Prime Minister was urging that faith was the way out; he now pins his hopes for business recovery upon the spirit of our people. Mr. Bennett has not yet awakened to the fact that Canada's problems are not primarily spiritual and not primarily patriotic, but are chiefly economic. He objects to the complaint of the public that taxes are too high and that the country is going bankrupt. He said in Toronto: "It is a popular thing to grumble about high taxes, and the hardship of living in Canada, but in England, where men earning as low as $500 a year are taxed for income and the whole country groans under a burden of taxation, citizens are glad to pay their taxes so as to do their bit for England."

Revolt against high taxation caused by reckless spending was the primary cause of the defeat of the Labor Government in England. While our income tax is considerably lower than that of Great Britain, we have a number of other taxes from which Britishers are free.

* * *

IN THIS statement there is no evidence whatsoever that the Prime Minister has in mind any curtailment of Canada's national expenditures, or steps to reduce taxation. He does not realize where large governmental expenditures and high taxation have already placed England. Nor does he realize that a young country like Canada, requiring to build up a fund of capital within the country for development, cannot afford taxes even as high as those that can be paid by an older and better established country like England.

Mr. Bennett has a number of additional speaking engagements before Parliament opens. Business men throughout the country, including the chief supporters of his own party, would be greatly heartened if they were to be told by the Prime Minister on one of these occasions that the government intends to proceed without delay to a drastic curtailment in the expenditures under its control. The country is tired of Mr. Bennett's generalities, his appeals to courage, to spiritual faith, to loyalty to the old flag, to unity and high purpose. These are so often the obvious appeals of the claptrap orator who is attempting to divert attention to his own failings. More informative speeches might be expected of the Prime Minister of a great Dominion.

FRENCH PACT CANCELLATION VITAL STEP

(Continued from page 1)

undoubtedly was very great. The treaty rate, applying as it did to both France and Japan, exposed Canadian manufacturers to very stiff competition. The disparity in tariff rates does not tell the whole story. On many of these articles the government has given Canadian producers additional protection by way of high duty values. But it was ruled that no increase of the amount of paid duties could be made on any item of the treaty covered by a fixed rate, so that these high duty values were quite powerless to restrict imports of such articles as knitted goods under the treaty.

In the last fiscal year, France sold $2,149,997 of silk goods to Canada, and Japan sold $1,668,569. Canadian manufacturers, naturally, complained of this competition and, finally, the government has listened to their pleas. The treaty has been abrogated, and will fail six months hence, on June 16, when the treaty period of notice expires.

New Treaties Forecast

The government, apparently, has given the matter careful attention. Some effort has been made to negotiate a new treaty with France, so far without success. But a "most favored nation" treaty will be negotiated with one or other of the larger foreign countries, and will serve as a basis of bargaining in our future trade relations.

It is a fact that imports under the French treaty do not equal exports from Canada to these countries. Indeed, Canada exports nearly twice as much as she imports, but the bulk of the exports is wheat and flour. The government apparently, believes that these countries will continue to take our wheat and flour because they have done so under the sky high tariffs now prevailing.

Trade Position Shown

The trade position is shown in the following table.

	Imports	Exports
	$	$
France	15,139,042	15,668,299
Belgium	6,121,964	14,394,911
Italy	4,552,110	7,959,926
Netherlands	6,296,555	12,594,220
Spain	1,492,298	779,059
Switzerland	4,458,876	442,493
Japan	7,633,349	16,465,364
Finland	81,106	1,009,871
Norway	659,848	2,028,595
Sweden	1,346,972	1,876,311
Argentine	6,739,697	10,007,794
Colombia	5,036,898	1,191,940
Denmark	265,642	3,604,492
Venezuela	3,024,584	1,058,223
Czecho-Slovakia	3,176,387	252,041
Estonia	817	44,510
Hungary	66,817	115,966
Portugal	578,824	611,643
Roumania	95,427	489,733
Latvia	615	16,813
	65,540,788	92,948,404

Just how these countries will stand under our tariff when the French treaty expires next June, is a matter that is engaging the government's attention right now. The legal position may be that they revert to our general tariff, but the desire of the government is that they take the intermediate tariff. Steps to ensure this result probably will be taken during the next session of parliament.

REPORTED HEARST SIGNS WITH ANGLO FOR PAPER SUPPLY

(Continued from page 1)

interest to Canadian manufacturers.

Purchases in 1929

Though the Hearst newsprint requirements are undoubtedly less today than they were two years ago, the importance of his business is well illustrated by the following contract purchase in 1929:

	Tons
Algonquin Paper Corp.	27,000
Wisconsin River P. & P. Co.	24,000
International Paper	140,000
Great Western Paper	3,000
Hennepin Paper Co.	2,400
Anglo-Canadian P. & P. Mills	110,000
Brompton Pulp & Paper	63,000
Lake St. John P. & P.	78,000

Contracts With Hearst

The foregoing only applies to the papers east of the Rockies and accounts for a total consumption of about 446,000 tons. All of this paper was supplied under long-term contracts.

Until this year Anglo-Canadian was part of the Canada Power set-up and its contract with Hearst did not expire until 1933.

Brompton and Lake St. John are both controlled by St. Lawrence Corp. The former's Hearst contract has not got much longer to run, while Lake St. John's is good until 1936.

International's contract with Hearst expires toward the end of 1984.

Canada Power Contract

Not long ago Hearst made a contract with the Dominion Newsprint Co., his own company, to supply all of his paper requirements. It was proposed that the Dominion Newsprint erect a 1,000-ton daily capacity mill in Newfoundland. Canada Power and Paper entered the picture at this point. It took an interest in the Dominion company. The Newfoundland proposition was deferred and the contract to supply Hearst with his newsprint was taken over Canada Power and Paper.

Considering the large tonnage involved, the importance of this contract to Canada Power or any other newsprint organization, is readily apparent and this was one of the primary purposes back of the reorganization of Canada Power and the formation of the new company, Consolidated Paper Corp.

For many months past mills of Consolidated Paper have been operating at less than half of capacity. Earnings have been far from commensurate with the capital investment. The Hearst contract, therefore, was regarded as all-important in that operations would be stepped-up and the position of the company greatly improved, both from the point of view of earnings and mill workings.

Position is Uncertain

But if Hearst has renewed his contract with Anglo, it makes it doubtful if the business will accrue to Consolidated Paper Corp. Consequently the whole matter is being given much thought by interests concerned, though it is unlikely that any immediate steps will be taken to straighten out the matter until the Hearst contract with Consolidated Paper becomes effective at the beginning of 1933.

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Bachelor Cigars	Box of 25	2.25
Picadilly Tobacco	½ lb. jar	1.50
Imperial Mixture Tobacco	½ lb. jar	1.40
Herbert Tareyton Tobacco	½ lb. jar	1.50
	1 lb. jar	3.00
Turret Cigarettes	Box of 50	.60
	Box of 100	1.20
Buckingham Cigarettes	Box of 50	.60
	Box of 100	1.20
British Consols Cigarettes	Box of 50	.60
	Box of 100	1.20
Dixie Cigarettes	Box of 50	.60

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40 Branches in Toronto

MORTGAGE DISC. EARNINGS LOWER, DIVIDENDS PAID

Unemployment and Increased Taxation Reduced Profits

Mortgage Discount, Ltd., which earned $45,672 in profits in the year ending November 30, 1931, as compared with $50,321 in the preceding 12-month period, was especially hit in 1931 by unemployment as it affected payments on second mortgages and by considerable increases in taxation. It paid dividends of $45,123 and had to make provision of $5,451 for federal income tax. It began the year with a surplus of $110,362 but in consequence of these increased expenses it carried forward into the current year $104,460, nearly $6,000 less than a year earlier.

PROFIT AND LOSS ACCOUNT
Years Ending Nov. 30

	1931	1930	1929
	$	$	$
Profits	45,672	50,621	49,635
Less:			
Loss on real estate.	...	...	†816
Prov. for inc. tax. .	5,451	3,964	1,828
Dividends	46,123	46,123	46,105
Surp. for year.....	*5,902	534	886
Prev. surplus	110,362	109,828	108,941
Bal carr. forward	104,460	110,362	109,827

*Debit.
†Less $24,891 transferred from reserve.

Hon. Frank Carrel, president, stated that the profits had been affected by an increase to 10 per cent in Dominion Income Tax as well as a 25 per cent increase in 1930 Dominion tax, imposed and payable in 1931, for which no provision could be made in 1930 accounts. A new Provincial Tax was also imposed on companies such as Mortgage Discount.

The company's current assets, consisting of cash and accounts receivable, amounted to $32,187, and the current liabilities to $198,685 on November 30, 1931 as compared with current assets of $31,758 and current liabilities of $216,845 a year earlier. Bank loans increased during this period from $125,000 to $130,000 but bills payable were reduced from $51,260 to $29,016.

Investments increased during the year from $1,129,074 to $1,150,881. Of this amount mortgages and loans made up $1,000,474, accrued and outstanding interest to $17,842 and real estate to $100,377.

CANADIAN BRONZE HALVES DIVIDEND COMMON STOCK

Lessened Railway Activity Reduces Earnings of Company

From Our Own Correspondent

MONTREAL.—Directors of Canadian Bronze Co. have placed the common shares on an annual basis of $1.25 a share compared with a previous rate of $2.50 a share with the declaration of a quarterly payment of 31¼ cents a share for the three months ended January 31, 1931.

This 50 per cent reduction in dividends does not come as an unexpected step. Canadian Bronze supplies the Canadian railways with the greater portion of their bearing and bushing replacements; every wheel turning means prospective business for the company. Unfortunately there have been fewer wheels turning on the Canadian railways as compared with previous years and earnings of Canadian Bronze have declined accordingly.

THRIFT STORES PREFERRED NEEDS EARNED FOR YEAR

Total Requirements Are Covered in Eight Months

From Our Own Correspondent

MONTREAL.—Thrift Stores Ltd., operating a chain of retail grocery stores in Montreal, more than earned the full year's dividend requirements on its first and second preferred stocks, from the beginning of the fiscal year April 1 to November 14, according to official information. The company will make its ninth distribution on the first preferred stock on January 2, 1932.

Sales in the period under review showed an increase of nearly 29 per cent over the corresponding period last year. Retail sales were $2,342,986 compared with $1,818,451. M. Rudolph, president of the company, points out that if this improvement is maintained for the balance of the year, last year's total of $3,363,743 should be easily exceeded.

Earnings Not Estimated

Officials state that since the fiscal year does not end until March 31, 1932, it is not yet possible to give an accurate estimate of sales for the current year but they claim that present indications point to a substantial gain over last year.

As commodity prices have been declining steadily for the past two years it is obvious that to maintain or increase the dollar value of sales a greater volume of goods must be distributed. Realization of this fact by the management is indicated in expansion undertaken, for the company now has 64 stores in operation compared with 50 at this time last year. No further extensions, however, are contemplated at the moment; the company is concentrating on the improvement of existing outlets.

Sarnia Bridge Secures Small Bridge Contract

From Our Own Correspondent

MONTREAL. — Sarnia Bridge Co. has been awarded the contract for construction and erection of a vehicular bridge over the St. Clair tunnel cut in Sarnia at an estimated cost of $39,400. Two other tenders were received. Permission, it is stated, for construction has been secured from the Canadian National Railways and the Dominion Board of Railway Commissioners.

Dominion Glass Co. Elect New Directors

From Our Own Correspondent

MONTREAL. — Two new directors were added to the board of Dominion Glass Co., the additions being Kenneth T. Dawes and Major-General the Hon. S. C. Mewburn, C.M.G., of Hamilton. This action was taken at the annual general meeting of the company, which was of short duration and of routine character.

BUSINESS EDITORS FORESEE '32 GAINS IN MANY TRADES

(Continued from page 1)

by currency exchange conditions. Nevertheless, stocks of textiles throughout the market are low and any improvement in consumer demand will re-act immediately on Canadian mills. Further substantial plant developments are in prospect.

Stocks of Dry Goods Low

In the allied dry goods field, it is reported by A. D. Hughes, editor of "Dry Goods Review," that the generally low stocks of merchandise in the hands of merchants as well as of manufacturers and wholesalers lead to the general feeling that the time for the necessary replacement in all lines of merchandise is rapidly approaching.

Inventories are below normal also in the men's wear field, it is reported by R. M. Edwards, editor of "Men's Wear Review," but due to much price cutting in the recent unseasonable weather, business has not been good. However, the downward trend of prices is inspiring a freer purchasing attitude on the part of consumers.

While there has been a reduced demand for luxury furs, furriers generally speaking had a better year than last, although a large part of their revenue has been in repair work and renovations. R. G. Hodgson, editor of "Fur Trade and Fur Farming," looks for a scarcity of pelts during the coming year, because so many people, having lost money in fur farming, are going out of the business.

Some Problems in Food

While the food industries have shown relative stability of unit volume of sales, due to the fact that people must eat, several branches of the industry, nevertheless, have had considerable problems to face. The fishing industry has suffered from the very low prices prevailing in export markets, where our canned salmon, canned lobsters, and dried salt fish are meeting severe competition from Russia, Japan and the European countries. F. W. Wallace, editor of "Canadian Fisherman," reports that the federal department of fisheries has had a complete survey of the industry of the trade made with a view to planning ways and means to stimulate markets at home and abroad and considerable benefit is expected from any policy that may be adopted as a result of this survey. It is felt that the full potentialities of Canada's abundant fisheries will not be felt until we have created a larger domestic market. Mr. Wallace expects improved conditions in the near future.

The canning industry has suffered from a very severe overproduction of most canned goods which has lead to standard quality goods being merchandised on a purely price basis with too little attention to the distribution of choice and fancy grades at a more equitable price. Canned goods are being sold at less than cost of production and it is practically certain that many canning plants in Canada will be closed down in 1932. Arthur E. Kelsey, editor of "Canadian Canner and Preserver," points out that the Canned Foods Association of Canada is considering a consumer advertising campaign which is expected to stimulate the demand and move much of the carry-over from last year's activities.

Poor Export of Bacon

In the packing field, the poor export trade in bacon has met a severe handicap. Killings at the abattoirs have been almost up to last year, which has meant that more stocks were available for home consumption. Prices of all meats have been considerably reduced, resulting in an upward swing in consumption. B. T. Huston, editor of "Canadian Grocer," who comments on the packing industry, also forecasts that the food business will be quiet in the first quarter of the new year. But because of the fact that everyone must eat to live there is no reason to think that tonnage sales during 1932 will not be as good as 1931. Dollar sales will be less, because prices are lower. Mr. Huston adds, "Competition in foods is so keen that differentials as between retail, wholesale and manufacturers' prices are about right."

The milling industry is awaiting results of the Imperial Conference and the development of the British quota plan. The editor of "Canadian Milling and Grain" states that export markets have been upset owing to world conditions and prospects for 1932 depends to considerable extent upon the developments referred to.

Break-up of Movie Chains

One of the most interesting developments in the motion picture field, as reported by Miss Ray Lewis, editor of "Canadian Moving Picture Digest," is the tendency for the large chains of theatres owned by producers to be broken up among a larger number of small independents. The development of the talkies has made it difficult for Hollywood films to be sold in foreign countries and American producers are faced with the necessity of establishing studios in other countries to solve the language problem. This will require much money to finance and the money will probably be raised by the sale of many of the theatres now owned by the large organizations.

In the paint and varnish industry, it is reported by J. A. Grout, editor of "Canadian Paint and Varnish Magazine," that there has been a slump in industrial sales due to decreased production in many industries. Decorators' sales have suffered because of the lack of new building. Painting and repairing around the house have helped to maintain trade sales. Recent reduction in paint prices is hoped to stimulate spring buying and many new improvements and products are being added by manufacturers. An interesting tendency is the elimination of expensive practices in production and distribution.

More Time For Recreation

The public is continuing to buy goods for sports and recreation, it is reported by T. J. Fullerton, editor, "Sports Goods Journal of Canada." Sports and recreation are larger factors in the every-day life of the Canadian people than ever before, he states. Shorter working hours and the resultant increased leisure of the masses indicates that recreation is designed to become a monumental industry. Prices in the sports goods field are now upward.

In the music and radio trades, some interesting information is available. H. J. Jones, editor of "Canadian Music and Radio Trades," refers to the increased sale of pianos and the good outlook of grand pianos. Piano stores are diversifying with electric appliances and working into a lower rent position. The new development in music is group teaching and modern instruction methods which have made piano study fun rather than drudgery. Music is achieving a larger place in child education, and so musical merchandise sales are showing an upward trend.

In radio, the big tendency of the year has been toward cheaper sets. Deflation continues in the radio business and will continue until the number of retail outlets have been greatly reduced. Distressed stocks have been moved to the accompaniment of much publicity, which has resulted in chaotic retail prices. Radio dealers are going into electric home appliances and this movement is expected to expand rapidly throughout 1932, Mr. Jones declares.

Exchange Offsets Price Cut

In the pulp and paper industry, there are, of course, many branches. Business is down considerably and the industry is faced with a variety of problems. In the fine paper field the tendency to hand-to-mouth buying with its consequent demands for small runs and rush orders is an industrial ill but little can be done about it, according to J. N. Stephenson, editor of Pulp and Paper Magazine of Canada. Mr. Stephenson reports that progress has been made with the super-merger in newsprint. However, the nutshell of newsprint is the price list. Contract price for newsprint for 1932 has been reduced but the reduction in price is just about compensated for by the present premium on United States funds. On the other hand, Scandinavian mills have at least as good exchange advantage as the Canadians.

Possibly reflecting conditions similar to those in the sports goods field the book business has made a good showing during 1931, though showing a slight reduction in volume, according to the editor of "Bookseller and Stationer." The stationery trade has shown a decrease in volume on sales as compared with last year. There has been an increase in book debts carried by manufacturers, some to the extent of 25 per cent, but there has been a decided tightening up of credit. The 1932 business outlook is equal to the present year.

Sees More Advertising

D. J. Little, news editor of "Canadian Advertising Data," has just completed a survey of leading Canadian advertisers which indicates that the leading firms are not curtailing their advertising expenditures. They are all maintaining the same relative percentage of total sales. A number of firms are increasing their appropriation for 1932 and several will equal their 1928 expenditures which were the largest previously.

Collections of old indebtedness in the farm implement field continues slow, according to A. A. Thompson, editor of "Canadian Farm Implements." Credits will be carefully scanned in the coming season. It is expected that there will be a considerable demand for reconditioning of second-hand machinery. Granting a betterment of grain values, the industry, so far as Western Canada is concerned, should return rapidly to normal volume, but no substantial increase is expected for 1932.

New Lines in Hardware

In the hardware field, there has been a tendency to add new lines to build volume and in some cases small factory additions have been made for that purpose, it is reported by H. L. Southall, editor of "Hardware and Metal." Tonnage volume of hardware sales is not down nearly as much as many have thought. Retail credits have been severely restricted. Retail financing is under a strain, due to credit curtailment by manufacturers and wholesalers.

With large stocks in the hands of most manufacturers it is expected that the output will be reduced in 1932 in the lumber field. Prices prevailing on lumber today, according to G. B. Van Blaricom, editor of "Canada Lumberman," in many cases do not cover the cost of replacement. The industry has just come through a trying year. There has been a great turnover, but no profits. Decreased building operations, decline in exports, liquidation of distressed stocks and stiff competition from rival structural commodities have proven real problems.

Shoe manufacturers are looking forward to a good year in 1932, according to the editor of "The Leatherworker." The tanning industry is stable with prices holding up fairly well.

New Publications in Canada

In the job printing field, short hours have been the general rule. Nevertheless, the employment situation is much better than in most other large industries, according to H. A. Nicholson, editor of "Canadian Printer and Publisher." A notable feature has been the printing of more than 30 Canadian editions of the United States magazines in Canada, which has had a beneficial effect upon the employment situation in the publishing field during the last quarter.

Eight Revolutionary Car Models

Discussing the automotive industry, W. M. Gladish, editor of Canadian Automotive Trade and Bus and Truck Transport in Canada points out that stocks of both new and used cars and trucks in dealers' hands are generally at the lowest point in years and there will be little carry-over. More dealers, proportionately, will have balanced budgets than one year ago. The public has delayed buying new cars far beyond usual custom through lack of confidence with the result that a considerable number of automobiles, parts and tires are wearing threadbare. The industry looks for considerable replacement buying early in 1932 and the expectation is that the automotive trade will lead the procession to improved situation.

Car manufacturers are "shooting the works" in the way of new mechanical features and aerodynamic body lines on 1932 models and only one or two companies have intimated that their cars will remain "as is" for the time being. Most announcements will be made during the first 10 days of January excepting Buick and Chevrolet which have already been revealed.

The metal working industries are covered by Canadian Machinery, Power House and Canadian Foundryman and H. C. Braund, managing editor of this group of papers, reports that production is down considerably. Imports from the United States are lessening and those from Great Britain are gaining.

A larger, self-contained metal working industry in Canada will likely come out of the depression.

In the questionnaire sent by The Financial Post to business paper editors, definite information was asked as to the trend of business in the current quarter as compared with the previous quarter and as compared with the situation one year ago. Specific reports on the trend of business by the different editors have been summarized as follows:

Trend of Business

Textile: Quarter shows slight improvement. Gain over last year at least 25 per cent.

Men's wear: Reports diversified.

Dry goods: Little change compared with previous quarter; slight decrease for year in unit volume, large decrease in dollar volume.

Fur trade: Seasonal improvement shown; little change from last year.

Motion pictures: Last quarter increased seasonally. Attendance down 30 per cent from last year.

Paint and varnish: Industrial and decorators' sales slump. Trade sales off but in smaller degree.

Farm implements: Seasonal decline for quarter. Sales for year down at least 35 per cent in west.

Hardware: Dollar volume for last quarter down about 18 per cent from 1930, taking manufacturers' figures; 15 per cent at retail.

Paper: Better than previous quarter; 15 to 20 per cent below last year.

Books: Good volume but below 1930.

Advertising: Volume up 25 per cent for quarter. Down 10 to 15 per cent from year ago.

Stationery: Decrease in volume sales 10 per cent from last year.

Printing: Last quarter showed some improvement in larger centres. Volume below 1930.

Fisheries: Conditions adverse. Falling off in tonnage landed.

Canning: Current quarter slows up from last one. Little change from year ago. No money being made on present scale.

Packing: Chief handicap is poor export trade. Decrease in cattle, calves and hogs slaughtered. Increase in sheep and lambs.

Food industries: Volume of turnover better than previous quarter but below 1930. Some exceptions.

Milling: Exports practically unchanged for quarter, down from last year. Domestic sales about same.

Sports goods: 10 to 15 per cent increase for quarter. Slight decrease from year ago.

Pianos: Sales by units higher for quarter. Retail sales five per cent above last year.

Radios: Seasonal improvement for quarter. Unit sales up 25 to 30 per cent from last year. Dollar volume down 30 to 35 per cent. 1931 sales likely 270,000 sets.

Lumbering: Quarter's business about same. 20 to 35 per cent decline from year ago.

Shoes and leather: Output greater but at lower prices.

Automobiles: Volume shows seasonal drop. Volume for whole year down 30 per cent on passenger cars,

Metal working industries: Quarter's business slightly better and about equal to year ago.

Outlook For 1932

As to the outlook for 1932, it is generally reported that expectations are that the year should be at least as good as 1931, with some improvement in certain fields. In industries that are over-stocked it is hoped that 1932 will see the liquidation of these surplus inventories and lead to a better price situation. Most of the forecasts for 1932 are somewhat subdued in tone and they have been summarized as follows:

Textile: Fair volume expected at competitive prices but low stocks in buyers' hand promise improved business.

Men's wear: Should be slight improvement before end of first quarter.

Dry goods: No change expected soon. Western Canada's year depends on 1932 crop. Subdued optimism in Eastern Canada.

Fur trade: Too early to make forecast as offerings only commencing.

Fisheries: Hope lies in attempts to increase domestic consumption and open empire markets.

Canning: Operations will be curtailed in 1932 season. Many plants closed. Large inventories insure heavy consumption at low prices.

Food industries: Quiet first quarter but year's volume should be up to 1931 with dollar values off.

Milling: Fair outlook for first quarter; Imperial Conference may determine outlook for year as whole.

Motion pictures: Outlook good for first quarter 1932. Year should compare favorably with 1931.

Paint and varnish: Outlook for next quarter fair, with pick-up in industrial lines.

Sports goods: Prospects good for first quarter; gradual but decided increase expected for whole year.

Pianos: Good outlook especially for grand pianos. Foresee improvement throughout year.

Radios: See continuance of high unit sales.

Paper: Upturn in trade will follow general improvement in business.

Books: 1932 should match 1931.

Advertising: Prospects of 15 to 20 per cent increase first quarter over same period 1931. Year's expenditures will probably exceed 1930 and 1931 and equal 1928.

Stationery: 1932 about same as 1931.

Printing: No prospect of substantial change except in relation to general business.

Farm implements: Year's trade dependent on crop and prices.

Hardware: First quarter about same as first quarter 1931. Hope for revival by fall.

Lumbering: Fair outlook for first quarter improving as year advances.

Shoes and leather: Expect improvement.

Automobiles: Promising for first quarter and reasonably good for whole year.

Metal working industries: No material change expected early in action but tariff and treaty action may bring gradual upturn.

Definite information was obtained as to inventories, as to chief problems now faced and as to new developments. A summary of these data will be published next week.

New Paint Director

From Our Own Correspondent

MONTREAL. — J. Edward Labelle, K.C., has been appointed director of International Paint Co. of Canada.

Winnipeg Hydro Surplus Gains

For the ten months ending October, 1931, Winnipeg City Hydro realized a net surplus of $149,153, which was an increase of $33,395 over the corresponding period for 1930.

Secondary Education Makes Tax Bill Grow

(Continued from page 1)

in these institutions has risen remarkably; the coverage of the courses given has expanded rapidly; the investment in buildings and equipment has jumped by leaps and bounds.

Recently, a leading educationalist in this field of secondary work said: "We are wasting millions under the thin disguise of fitting the youth of the nation for life's struggle. More than half of the pupils in our secondary schools would be better off if they were learning in an office or shop." His view is shared by others; rightly or wrongly, there is growing up a feeling that we may have overdone secondary education in Canada. Without discussing that problem, which admits of much keen and by no means one-sided debate, let us address ourselves to a brief study of the cost.

Between 1921 and 1929, the number of pupils in our secondary schools increased by 16 per cent in Canada. The number in all other schools (chiefly secondary) increased by 34 per cent, while the number taking vocational and technical courses increased by considerably more than 50 per cent. Consider in connection with these figures the fact that the cost per pupil of secondary education averages three times that in the ordinary public schools and one sees at once a primary cause of increasing school costs.

Because of the varying school systems throughout Canada, Dominion figures are difficult to analyze. Attention may therefore be concentrated on Ontario, as a sample province.

In 1922, there were 604,000 pupils in the public school grades of Ontario. The expenditure was $31,900,000.

In 1929, there were 649,000 pupils in these grades. The expenditure was $37,000,000.

But now let us consider the secondary schools (continuation, high and vocational schools). In 1922, the number of students was 98,000. The cost was $9,500,000.

In 1929, the number of students was 144,000. The expenditure was $18,000,000.

Wide Range of Subjects Now Taught

These figures make it pretty obvious that the chief cause of increasing educational expenditure in Canada is the widening of the field of secondary education. Many new subjects have been added. Among the subjects now taught in secondary schools of Canada are zoology and botany, Spanish and German, business law, art, household science, agriculture, music and military drill. Recently, a class in zoology in a Toronto high school was given an examination. One typical question on the examination paper was: "How would you combat the boll weevil in cotton?"

Let us take a typical city. One of the most comprehensive studies of the cost of education that one could find anywhere is the annual report of the Board of Education, Toronto. Some of the facts therein revealed throw light upon the problem we are discussing.

Public school attendance in Toronto has increased 10 per cent since 1920. It cost, in 1930, $94 a year to educate each public school pupil.

Secondary school attendance has increased from 7,500 to 21,000 in the same period. It cost, in 1930, $150 a year to educate each one.

New Laws Mean New Expenditures

The chief statistician of the board reported:

> "In 1920, where we had two pupils attending our collegiate institutes, we now have three pupils. In our technical schools where we had two pupils in 1920 we had about five pupils in 1930. In our commercial schools where we had two pupils in 1920 we have eleven pupils in 1930. The greater demand for secondary education after the war, putting up the leaving age to 16 years in 1921, and particularly the demand for training for commercial and industrial life; all these factors combine to create a first-class problem for the board.
>
> "The action of the university in calling in 1931 for all students going to the university to have honor matriculation, which means that nearly all these possible undergraduates will take an additional year in our secondary schools, will still further increase our problem.
>
> "Prior to the inception of the Adolescent School Attendance Act in 1920 the rate of increase in our secondary school attendance was about 10 per cent per annum but the average annual increase in attendance in our secondary schools since 1921 to 1930 has been nearly 30 per cent.
>
> "The government brings in legislation demanding more accommodations and services from the school board for the children; various organizations press for additional services for children in unfavorable conditions; various citizens press for special privileges. With the board a clearing house for all these demands and the spectre of the taxpayer close at hand, it is undoubtedly a difficult problem always to strike the happy medium."

Is it any wonder then that the per capita cost of education in Toronto has doubled since the war and that education takes more than 34 cents of each tax payer's dollar (not counting provincial grants)?

A Dominion government report puts it: "The cost (of education) in dollars actually expended has increased uniformly at about double the rate of increase in enrolment. When allowance is made for the increasing purchasing power of the dollar since 1921, the real increase in purchasing power expended on these schools has averaged over the last eight years (1921 to 1929) about three times the rate of increase in enrolment."

Cost Now Heavy Upon Provinces

A large share of the additional cost has fallen on the provinces. The provinces contribute about one-eighth of the cost of free and semi-free education in Canada. But this one-eighth is becoming a difficult burden to carry and varies between $1.61 per capita in Quebec to $7.84 per capita in British Columbia (1929). In several of the provinces it amounts to more than 25 per cent of total expenditures. Education cost the Province of Ontario for example, in 1929, about as much as it received in that bountiful year for succession duties, corporations, taxes and amusement taxes.

"This," to quote from the Dominion Bureau of Statistics which holds no opinions and has no prejudices, "is one of the elements partially explanatory of the difficulty that has been experienced by provincial governments in obtaining sufficient revenue for their purposes in the years since the war. Education is in all provinces a major item of expenditure and one that has been steadily assuming increased proportions."

Are We Getting Value For Money?

We are educating our children as never before. School buildings are larger and better equipped; teachers are better trained and better paid; subjects taught have increased; a higher percentage of children are spending more time at school.

That these are suitable objectives cannot be denied. But there are other considerations, of which three may be mentioned.

1. Is this enlargement of education, particularly secondary education, as desirable or necessary in practice as it is in theory?

A writer in the Atlantic Monthly for December says: "A democracy can exist without the millions of graduates of the kind commonly turned out by the high schools and other second schools."

Robert A. Millikan, the Nobel prize scientist, in the same magazine asks if education by private enterprise, particularly above the lower grades, should not be given a wider sphere.

The question of whether or not our educational system in many branches has run beyond the needs of the country is worthy of some study.

A second question is important.

2. If the system is right, is the money efficiently spent?

Dr. Horace L. Brittain, director of the Citizens' Research Institute, said in 1928:

> "Even on the basis of investment, school expenditures merit enquiry. A poor investment is as bad as, and may be worse than, an unnecessary expense. In so far as school expenditures represent value received, there can be no quarrel on the part of the public. But in as far as good or better results could be obtained for less expenditure, the public has a right to know the facts and to take the action indicated by the facts. Waste in education, where and when it exists, is more, not less, reprehensible than other forms of waste. The ideas that educational expenditures are too sacrosanct to be submitted to examination and that anyone who asks questions regarding school expenditures is an enemy of education, are worse than ridiculous; they are hostile to the best interests of education."

School Principals Advise Dropping Classes

Recently the Board of High School principals in Toronto made a report on the extension of manual training and household science courses in Toronto high schools. They unanimously recommended that these courses be not added to the curricula in any new collegiates established on the grounds among others that "not all boys and girls of high school age are interested in these subjects" and that "the high school course is already very full." Yet these subjects are taught in all Toronto high schools and expensive class rooms and equipment are required for them.

At this point, reference might be made to one high school addition recently authorized in Toronto. The plan is to enlarge Oakwood Collegiate. The original estimated was $125,000. Now it transpires that the cost will be $160,000. But this is expected of public bodies. The money is being authorized by the 1931 board to come out of the 1932 budget for capital expenditures. Without comment there is presented below an analysis of how the $125,000, the originally estimated cost is to be spent.

Two gymnasiums, spectators' gallery, dressing rooms, shower rooms, rooms for storing gymnasium equipment	$ 59,500 or	47.6%	of total
Pool	17,000 or	13.6%	of total
New municipal training and domestic science rooms	32,500 or	26 %	of total
Additional boiler capacity required by two gymnasiums, pool, new manual training and domestic science rooms	4,000 or	3.2%	of total
Conversion of present manual training and domestic science rooms into four class rooms	8,000 or	6.4%	of total
Enlargement of administration offices involving the elimination of one of the present classrooms	4,000 or	3.2%	of total
	$125,000 or	100%	of total

A third important question is this one:

3. Can the country afford the very luxurious school system that exists in most parts of the country?

The answer to this question is not in the back of the book. Nevertheless, at a time when the nation is faced with the grave necessity of reducing its national costs in every direction it cannot afford to overlook educational costs and to make a searching examination of them.

OSLER, HAMMOND & NANTON
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Mills at
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COSGRAVE EXPORT BREWERY
COMPANY, LIMITED
Balance Sheet, 31st October, 1931
DIRECTORS
James F. Cosgrave, *President*
Victor E. Gianelli, *Vice-President*
R. O. Potman L. E. Carroll
Geo. S. Lyon
J. J. Devine, *Secretary-Treasurer*

ASSETS:

Cash on Hand and in Bank		$ 31,797.64	
Accounts Receivable, less Reserve		14,691.32	
Stocks of Beer, Malt, Hops and Supplies...		68,061.29	
Stocks of Barrels, Cases, Bottles, Wrappers, etc.		22,215.74	
			$136,765.99
Life Insurance, Cash Value			4,500.00
Investments			1,000.00
Plant and Equipment		404,993.32	
Buildings		250,592.81	
Land		93,900.00	
			749,486.13
Prepaid Expenses			5,967.37
Goodwill, Trade-marks, etc.			282,716.63
			$1,180,436.12

LIABILITIES:

Accounts and Bills Payable including Income and Excise Taxes to date			$ 28,540.62
Mortgage Payable			55,000.00
Capital Stock, Authorized and Issued			1,000,000.00
Profit and Loss Account—			
Surplus 31 Oct., 1930		$ 53,603.80	
Operating Profit for Year		67,963.12	
Income from Investments		60.00	
		$121,626.92	
Less—			
Interest on Mortgage and Loans	$ 4,637.12		
Depreciation written off plant and equipment.......	16,936.03		
Dominion Income Taxes	3,158.27		
		24,731.42	
Surplus 31 Oct., 1931			96,895.50
			$1,180,436.12

Approved on behalf of the Board,
JAMES F. COSGRAVE,
VICTOR E. GIANELLI,
Directors.

AUDITORS' REPORT TO SHAREHOLDERS
We have audited the books and accounts of Cosgrave Export Brewery Company Limited for the year ending 31st October, 1931 and have obtained all the information and explanations which we required. We report that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the Company's affairs as at that date according to the best of our information and the explanations given us and as shown by the books of the Company.
WILTON C. EDDIS & SONS,
Chartered Accountants.

Canadian Pulp and Paper Industry

International Paper Co. Set Forth Official Views Upon Merger Proposal

Certain Fundamentals Are Outlined by Officer

WILL PLAY BALL

At Same Time Prepared to Carry on Alone if Plan Falls Through

From Our Own Correspondent

MONTREAL.—International Paper has no intention of placing its Canadian and Newfoundland properties in the proposed merger of Canadian newsprint producers unless certain fundamentals and policies which International believes in are incorporated in the code of the proposed consolidation.

In an official statement to clients on behalf of the company, J. L. Fearing, vice-president of sales, clearly indicates that International is ready to play ball with the other producers in Canada in the formation of a merger, but it has no intention of placing its properties under the control of any organization which does not meet with its approval.

It is clear that in any attempt to form a merger such as intimated in the first announcement, it will be necessary to incorporate International's Canadian and Newfoundland properties. Without these units the new company would be no better off than at present. It is essential that they be included, therefore, if the new company seeks to have any definite voice in the formation of policies which some observers believe will be one of the principal means of placing the industry back on its feet.

Details of Statement

The following statement by International, therefore, is of more than ordinary interest, indicating as it does the official attitude taken by that company in respect to the merger.

The newspapers of New York and of other cities have recently printed lengthy articles concerning the Canadian newsprint situation.

It has been stated that conferences are being held and that there exists a sentiment in favor of the consolidation of the large Canadian newsprint units.

Has Rapid Growth

In 1910, three years before newsprint was placed on our free list, Canada sold about 25,000 tons of newsprint in the United States. The phenomenal growth of the newsprint industry in Canada since that time is shown by the following figures:

Purchased from United States mills	Year	Imported from Canada and Newfoundland
1,200,000 tons	1910 ...	25,000 tons
1,463,000 tons	1920 ...	680,000 tons
1,507,000 tons	1925 ...	1,810,000 tons
1,373,000 tons	1929 ...	2,825,000 tons
1,272,000 tons	1930 ...	2,145,000 tons

Industry is Important

Canada's newsprint industry, with its many ramifications, extends far back into her forests—a hundred miles or more from civilization. To many thousands of her people in various walks of life it is the sole source of livelihood. It is today the largest manufacturing industry of the Dominion.

A single mill may control several thousand square miles of forest, vast and remote territories where the labor of hand is hard, and the hazard to capital is high. During the fall freeze-up or the spring break-up these regions may be completely isolated—they are dependent on the meager resources of the lumber camp for the necessities of life itself.

Operations Are Extensive

In winter, trees are felled, cut into logs and hauled over snow roads to the river-bank to await the drive. When spring unlocks these frozen rivers the logs start their long journey to the mill—a journey that may take several months, possibly two summers and even more. To pick up the stranded logs and break up the jams that form, crews of river drivers follow the logs in big bateaux, often working fourteen hours a day in the icy waters. Hardy men they are—experts with the pike pole and the peavey.

Thus from the depths of the wilderness to the quiet waters of the mill pond comes the annual harvest of the forest to be fabricated into your white paper.

While woods work is a heavy burden, the risk to capital involved is no less so. Forests burn or blow down, or may be swept by insect pests. A network of observation towers and telephones with airplane patrol helps to prevent fires, but even these safeguards are not always successful. Sometimes conflagrations are only extinguished after months of effort by an army of men over miles of battle front.

Demand Grows Fast

Following the great war the consumption of newsprint in the United States increased very rapidly. The promotion and building of mills in Canada more than kept pace with it. With unrivalled water power and forest resources there was every reason for Canadians to believe they would continue to increase their newsprint business in the United States year after year. Some warnings that the boom might be nearing its end were issued from time to time in 1927, 1928 and 1929, but they were entirely unheeded.

Huge Unsold Capacity

Newsprint manufacturers, not only in Canada, but in other countries, now find themselves with a huge unsold capacity. Many units are bankrupt and others not far from it. Other difficult problems are crying for solution. In Canada it is vital to the nation itself that these problems be solved quickly and permanently.

How can this be accomplished? What is the best and safest way out?

Negotiations Underway

Recent conferences have been attended not only by the officials of our subsidiary, Canadian International Paper Company, but by the officials of other outstanding Canadian paper companies, and by representatives of important Canadian banking interests. Mr. E. W. Beatty, President of the Canadian Pacific Railway and one of the most public spirited leaders of Canadian opinion, has also been present.

Facts to Face

In these conferences it has been suggested that a consolidation of the more important units would probably provide the best remedy. It has also been argued that no scheme for consolidation will be worthwhile unless the set-up is based on a very conservative capitalization combined with the operation of the most efficient type of low cost mills. Knowing that the industry today is suffering from the effect of low prices, greatly aggravated by low operating ratios, and that, with only a few exceptions, fixed charges are not being earned, it is realized that no consolidation would be of any value unless it could show very substantial savings. Such savings, it is felt, would be assured by running the most efficient units to capacity, while maintaining the fairly modern ones on a lower scale, and eliminating those with excessively high costs. Furthermore, it is believed that other savings not now possible could be developed—such as, for example, the elimination of excessive freight costs now caused by an illogical geographical distribution of tonnage; the avoiding of unnecessarily heavy inventories due to the present tendency to over-estimate future requirements; the co-ordination of selling the manufacturing under the most expert leadership available; together with the elimination of many other losses and leaks that now exist but which could be prevented.

Advantage of Merger

Not only would a consolidated company be able to produce and distribute newsprint paper more economically, but it would also be far better equipped to alleviate the distress and actual suffering which present day conditions bring upon the workmen at mills which are forced suddenly to shut down without an opportunity adequately to cope with the social problems that a shutdown entails.

International Paper Company's subsidiaries in Canada and Newfoundland comprise a group of the largest and most efficient mills in the world. Under normal business conditions these mills, if operated at full production, could show fairly satisfactory earnings even at low prices that now prevail.

Want Lower Price

Tremendous pressure has been put upon the newsprint mills of North America, as you well know, to reduce prices because of the slump in advertising which has been affecting your business and which has made such reductions necessary from your standpoint.

In all fairness you will agree that when price reductions are accompanied by world-wide depression and unusual idle mill capacity, together with an imminent increase in freight rates, they must inevitably involve serious financial risks to many important manufacturers of white paper. The lower the price, the greater the necessity for measures of relief.

No publisher should, however, be misled by sensational statements and propaganda, to believe that the present high purchasing power of the United States dollar actually means a corresponding reduction in costs at our Canadian mills. Savings are, of course, currently available through the payments of wages and the purchase of materials in Canada with the cheaper Canadian dollar; but interest continues to be payable in United States funds. Last, but most important of all, the supply of pulpwood which will be used for at least another year, was bought and paid for at a time when the United States dollar had no advantage.

Thus far, the conferences in Canada have definitely indicated a very serious determination to reorganize the industry so that it can be operated profitably at low and stable prices.

Have Own Policy

Unless these fundamentals are used as a cornerstone, and unless the other policies in which International believes and to which it has adhered in recent years are written into the code of the proposed consolidation, we shall continue to paddle our own canoe.

Brown Corp. Sell Water Power Site

From Our Own Correspondent

MONTREAL.—Brown Corporation of Canada has sold to the St. Maurice Power Corp. an undeveloped water power site on the St. Maurice River at La Tuque. St. Maurice Power is jointly controlled by Shawinigan Water and Power Co. and the Brown Corp. of Canada.

It is stated that there is no immediate intention to develop the water power site at La Tuque, and that its acquisition forms part of the general scheme whereby Shawinigan is carrying out an extensive development of the water power sites on the St. Maurice River. At present a plant at Rapide Blanc is well on the way toward completion. It will be brought into operation some time in the latter half of next year.

Court Dismisses Claim of Belgo Shareholder

From Our Own Correspondent

MONTREAL.—Action of minority shareholders of Belgo Paper Co. in contesting the scheme of arrangement whereby the securities of that company were exchanged for the securities of the newly formed Consolidated Paper Corp., has been dismissed by the Superior Court. In giving judgment, Mr. Justice Boyer stated that the law action was dismissed on two grounds, that the arrangement appeared fair and that it had been ratified by an overwhelming majority of shareholders.

Consolidated Paper Corp. common stock was offered to Belgo preferred shareholders in the ratio of three for one. The bond holders of Belgo were given new bonds to the value of $125, together with common stock, for each $100 bond held.

Don Valley Paper Concluding Fair Year

From Our Own Correspondent

MONTREAL.—Don Valley Paper Co. is completing a fair year according to officials of the company, while renovations to the plant have put it in a position to handle added business in 1932.

Over the past twelve months almost a complete renovation of the plant has taken place and the work is now nearing completion. The heating system has all been changed over and new switches and motors installed. All of the machines and the interior of the building have been overhauled and the power system improved.

A section of the mill is devoted to the manufacture of blotting paper for an outside firm. The manufacture of hand-made papers, which was started some months ago, has been dropped for the time being.

Vancouver Wheat Shipping Active

Total export shipments this season to date of grain from Vancouver total over 13,600,000 bushels, compared with 21,267,000 bushels at the same date last season. Bookings are running at around 1,500,000 bushels a week at the present time.

EDDY'S COMPLETE FILTRATION PLANT COSTING $400,000

First Step in Programme of Rehabilitation at Hull

From Our Own Correspondent

MONTREAL.—First step in a comprehensive rehabilitation plan of the E. B. Eddy Co. was completed this month, with the bringing into operation of the new water filtration plant.

The new unit has a present capacity of 20,000,000 gallons per 24 hours, and is designed for an ultimate capacity of 60,000,000 gallons in the same period.

The filtration plant cost between $400,000 and $500,000, and the whole programme of reconstruction, it was stated some time ago, might run over a period of years to as high as $12,000,000.

The new unit will insure an ample supply of pure water, which the company requires in the manufacture of specialty and fine papers, and will be enlarged as the needs of the company dictate.

Big Plan in Mind

Complete plan of rehabilitation involves the concentration of the company's activities around the lower mill site, and embraces the installation of new paper machines, and the rebulding of the sulphite pulp mill, bleaching plant and groundwood pulp mill.

Other improvements laid down in the scheme include the concentration and enlargement of boiler capacity, the rearrangement of storage and handling facilities, additional pulp preparation equipment and the erection of a new office building.

In dealing with the contemplated improvements, C. V. Caesar, managing director of the company, stated that if conditions improve the company would carry on its plans of extensions and that as much money would be spent next year as this year.

NIAGARA WEAVING LOWERS PAYMENT ON JUNIOR STOCK

New Rate is $1 a Share Against $1.50 Paid Last Year

From Our Own Correspondent

MONTREAL.—Restricted activity in the newsprint industry with a subsequent slackening in demand for products of Niagara Wire Weaving Co. has apparently found reflection in that company's earnings for the last quarterly dividend payment on the common stock was declared at the rate of 25 cents a share compared with a previous quarterly disbursement of 37½ cents a share. There are 40,000 shares of no par value issued.

A reduction in dividends was not unexpected. The newsprint situation found reflection in earnings for the fiscal year ended March 31, 1931; net profit was $128,824 against $172,845 in the previous year. Common share earnings dropped from $2.45 to $1.57 against which dividends of $1.50 were paid.

Close to Newsprint Industry

The company's close affiliation with the fortunes of the newsprint mills is due to the fact that Niagara Wire Weaving Co. manufactures and supplies a large part of the fine mesh endless wire screens. This product is an essential part of the Fourdrinier paper machines and demand naturally varies directly according to activity in the paper mills.

Some changes have recently been effected in connection with the sinking fund. The fund calls for the placing aside at the beginning of each 6 month period a sum sufficient to purchase 1½ per cent of the total number of preferred shares outstanding. At this present time this represents 330 shares.

Heretofore any purchase of over 330 shares in the 6 months period did not decrease the company's liability in the following period; in other words the full 330 shares had to be purchased in the succeeding 6 months. Letters patent have been obtained allowing the company to deduct any additional shares purchased during one period from the requirements of the next period.

Speculative Jerry-Building Threatens Urban Values

Attention is Drawn to Unhealthy Situation by President of the Royal Architectural Institute of Canada

From Our Own Correspondent

MONTREAL.—Possibility of depreciated land values in urban residential sections as a result of increasing activity in speculative construction of jerry-built houses is indicated in a letter sent out by the Executive Committee of the Royal Architectural Institute of Canada over the signature of Percy E. Nobbs, president of that body. Signs are not wanting, it is claimed, that a considerable volume of speculative building in the lower types such as apartments, tenements, etc., is going on and projected, while high-class speculative building is virtually at a standstill.

At the present time a great deal of land can be picked up at bargain prices, especially in Western Canada, and there is a potential threat of a small boom in this form of building. More often than not, it is stated, this construction is ill judged from the point of view of town planning, tending to destroy rather than conserve existing values in the neighborhood and with its rapid deterioration to promote slum conditions.

Can Secure Capital

Speculative builders, it is pointed out appear to have little difficulty in getting financial accommodation from private individuals, and from loan companies unconnected with any national organization. If they were affiliated with such an organization, the matter could be taken up with that body; as it is, they are able to play a free hand. Speculative builders who have failed not once, but often, seem to have no difficulty in raising building loans. Sometimes a condition of the loan is that the supply men will not put a lien on the building, a factor which indicates an irresponsible element in the supply business which gaily risks bankruptcy at the expense of the manufacturer.

Loan companies are advised to see that reputable and competent architects are employed for full professional services in all cases where money is advanced for the purpose of building, for their employment to design and superintend work is a considerable guarantee of a sound building investment as the basis for a loan. The speculative builder, according to the letter, who does not employ an architect is usually a contractor but seldom a member of a local Builders' Exchange or of the Canadian Construction Association. With these bodies the architectural organizations are on terms of perfect amity, and it is with their members that the architects habitually do business.

Some cities insist on the employment of architects in the preparation of plans submitted for permits, but doubt is cast on the efficacy of this policy unless superintendence of construction is also obligatory. The institute states that statutory remedies in this connection might be in order.

Three classes of persons, therefore, are tending to promote this possible threat to urban residential land values, namely, the speculative jerry-builder, the irresponsible supply man, and those loan company directors who do not give enough weight to good design and sound construction, in the case of buildings offered as security for loans. Their activities, it is pointed out, affect the investing public, the lenders, the supply men, the manufacturers and all who have a stake in the conservation of urban values.

Utilities and Transportation

QUEBEC POWER CUTS DIVIDEND COMMON STOCK

Will Conserve Cash to Extent of $276,599 a Year

From Our Own Correspondent

MONTREAL.—Dividend on the common stock of Quebec Power Co., controlled by Shawinigan Water and Power Co., has been cut from $2.50 to $2 a share.

In making the announcement the president, Julian C. Smith, stated that the lowering of the dividend was effected in order to conserve the cash position of the company, but beyond this earnings of the company have been affected by reduction in rates put into force on July 1, 1931.

The lowering of the dividend will mean a saving to the company in 1932 of $276,599. At the present time the company has outstanding 553,198 shares of no par value common stock, on which dividends at the rate of $2.50 a share would amount to $1,382,995. On the new basis $1,106,396 will be required to pay the dividend.

This is the first time that the company has reduced the dividend on its common stock since 1920.

Cut in the dividend will be felt by Shawinigan Water and Power Co., which owns over 54 per cent of Quebec Power's stock. On the basis of 54 per cent ownership, Shawinigan would have about 300,000 shares, so that the reduction in dividend of 50 cents a share will mean a reduction in its income of approximately $150,000 a year.

On the basis of the 300,000 share holdings, Shawinigan received $750,000 in dividends from its controlled company during 1930. By placing the stock on a $2 per annum basis, revenue from this source during 1932 would be $150,000 less, or $600,000 on the basis of holdings of 300,000 shares.

MONTREAL TRAMS AWAIT FRANCHISE

No Immediate Amendment to Charter Affecting Autobuses

From Our Own Correspondent

MONTREAL.—Following report that Montreal Tramways was negotiating with the City of Longueuil for an autobus franchise, a despatch from Quebec City stated that the company was going to introduce a bill at the present session of the legislature for an amendment to its charter. It was stated that the company was going to ask for an exclusive franchise to operate autobuses in Montreal and within a radius of 25 miles of the metropolis; also that the 6 per cent return provision which operates in regard to the operation of street cars be also applied to the operation of buses.

It was also reported that the company would seek an amendment to its charter whereby premium paid on American funds purchased to pay interest on funded debt should be a charge against operations.

It is officially stated that the company has not drawn up any bill for presentation to the legislature. At present the charter does not permit Montreal Tramways to operate a bus line to Longueuil. Nothing will be done to secure an amendment to the charter until a franchise has been granted.

As for the report on bond interest payments, it is officially stated that nothing is likely to be done on this matter and that it has not come up for discussion.

Canada Northern Power Registers Good Increase

From Our Own Correspondent

MONTREAL. — Canada Northern Power Corp. reports an output of electric energy during September last of 34,984,980 kw.h., as compared with 30,624,890 kw.h. during the same month a year ago. For the year ended September 30 last the company had a production of 406,948,850 kw.h. This compares with 357,780,150 kw.h.

Mersey Earnings Exceed Last Year

From Our Own Correspondent

MONTREAL. — Earnings of Mersey Paper Co. have been maintained during the current year, and it is understood that income for 1931 will be slightly in excess of last year, when a total income of $852,922 was reported. After all charges there remained a net profit of $172,702.

The mill, located at Liverpool, N.S., has been operating at capacity for the greater part of the year; expectations are that production in 1931 will amount to around 77,000 tons. For the twenty-four months extending from November 27, 1929, output was 138,489 tons.

Public investment interest in this newsprint producer is confined to an issue of $2,000,000 of 6 per cent general mortgage bonds. There was, however, at the end of 1930, $3,000,000 of first mortgage bonds held by the banks against advances.

INTER. UTILITIES DEFERS DIVIDEND CLASS "A" SHARES

Desires to Conserve Cash; Market Decline Was Factor

Class "A" shareholders of International Utilities Corp. are informed by the president, H. M. Chandler, that the regular quarterly dividend on the Class "A" stock for the quarter ending January 15, 1932, will be deferred in order to conserve the company's cash resources. The dividends on the $7 prior preferred stock and $3.50 series 1931 and on the $1.75 preferred stock series 1931 have been declared, the prior preferred of both series being payable February 1, 1932, to stockholders of record January 15, 1932, and the $1.75 preferred dividend being payable January 15 to shareholders of record December 30, 1931.

In further explanation of the board's action in deferring the Class "A" dividend, Mr. Chandler says:

"This action was based on a number of general factors, such as the drastic decline in market values and the necessity of curtailing loans and on the large non-income paying investment in the capital stock of American Equities Company. The earnings of the American Equities Company are accruing proportionately to this investment which, at the present time, represents in excess of 83 per cent of the outstanding American Equities Company stock.

"Stockholders are reminded that the dividend on the Class 'A' stock is cumulative and must be paid before any disbursement can be made to the Class 'B' stockholders."

Inter. Hydro-Electric Paid Dividend in Cash

From Our Own Correspondent

MONTREAL.—International Hydro-Electric System, a division of International Paper and Power Co., continues its policy of paying a cash dividend on the Class "A" stock. This security carries a dividend of one-fiftieth of a share of Class "A" stock for each share of such Class "A" stock held, or, at the option of the shareholder, 50 cents a share.

Under present market conditions the option to take the Class "A" dividend in cash has about twice the immediate value of the dividend in stock. In order that no shareholder may lose this advantage through oversight, the dividend is being paid in cash to every shareholder unless stock has been specifically requested.

EXCHANGE CAUSES LOWER EARNINGS OF BRAZILIAN

Lower Operating Expenses Mitigate Drop to Some Extent

Gross earnings of Brazilian Traction Light & Power Co. for November at $2,408,855 are $1,123,498 less than the earnings of $3,532,352 reported for November, 1930. Net earnings for November at $1,370,046 also show a considerable decrease amounting to $705,088 from $2,075,134 in November, 1930. These results are due in a large measure to the decline in the exchange value of the milreis.

The same influence caused the aggregate gross earnings for the first 11 months of the year to be $32,474,585 as compared with $43,313,377 for the same period in 1930, a reduction of $10,838,792. Due to reduced operating expenses, net revenues for the 11 months at $19,561,546 show a reduction of only $5,881,816 from $25,443,362.

Strong measures are being taken by the Brazilian Government to make way against the adverse business influences which are hurting the exchange. Payment in foreign funds of interest and sinking funds due on state loans has been deferred although the funds are accumulated locally in milreis. The export tax on coffee has been increased to 15 shillings a bag to use in paying for and burning coffee in interior warehouses with the objective of destroying 12,000,000 bags in a year. How effective this method of getting rid of an unwieldy world surplus will be has yet to be proved.

World's annual production has become too large as a result of high prices artificially maintained some years ago and it may be some time before low prices bring a corrective in decreased production. Brazil believes it has great advantages over other countries as a coffee producer and that eventually it will be in the game when others fall back to the position they originally occupied.

HYDRO-ELECTRIC PROPOSE CHANGE CAPITAL STOCKS

Depreciated Value of Holdings Cause Directors to Take Action

From Our Own Correspondent

MONTREAL.—Depreciation in the value of security holdings has decided the directors of Hydro-Electric Securities to recommend to the shareholders a drastic cut in capitalization. To that end a letter has been despatched calling a general meeting of shareholders to be held in Montreal on January 8 next.

It is proposed to reduce the common stock capital by nearly $27,000,000 and to cancel the class B preferred stock of a par value of nearly $10,000,000.

General Reorganization

The purpose of the meeting is to approve of capital changes by the non-issuing of preferred stock surrendered for cancellation by International Holdings and Investment Company Limited and class B cumulative participating stock surrendered by the Societe Anonyme de Placement and the cancellation of liabilities of these companies to Hydro-Electric Securities Corporation. The meeting will be also asked to approve reduction of the common capital, as carried in the balance sheet, by $26,808,895, and that this sum be used to provide for the depreciation that has taken place in the market value of the company's assets.

The letter also announces that directors do not intend to declare a dividend on the common stock for the final quarter of the year, although estimated ordinary income for this period would have permitted a distribution of 25 cents a share for the quarter.

Completion of the transaction will result in cancellation of class "B" preferred stock of par value of $9,938,000 reducing the preferred capital stock to that extent, so that the issued preferred stock will thereafter be $10,062,000.

From the standpoint of preferred stockholders the result of this reduction will be that the assets of the company proportionate to each preferred share outstanding will be substantially increased, while the sum required annually to meet the fixed dividend on the outstanding preferred stock will be reduced from $1,000,000 to $503,100.

From the standpoint of common stockholders, this reduction in the dividend requirements ranking prior to their rights increases the amount which may be available for distribution to the common stockholders

Directors state the proposed step will leave unaffected the investment reserve amounting to $8,598,828 representing capital profits made on realization of securities and will leave unaffected the reserve in the earned surplus account at present amounting to $1,466,795 representing undistributed ordinary income.

The Purchasing Power of Income

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Correspondence invited.

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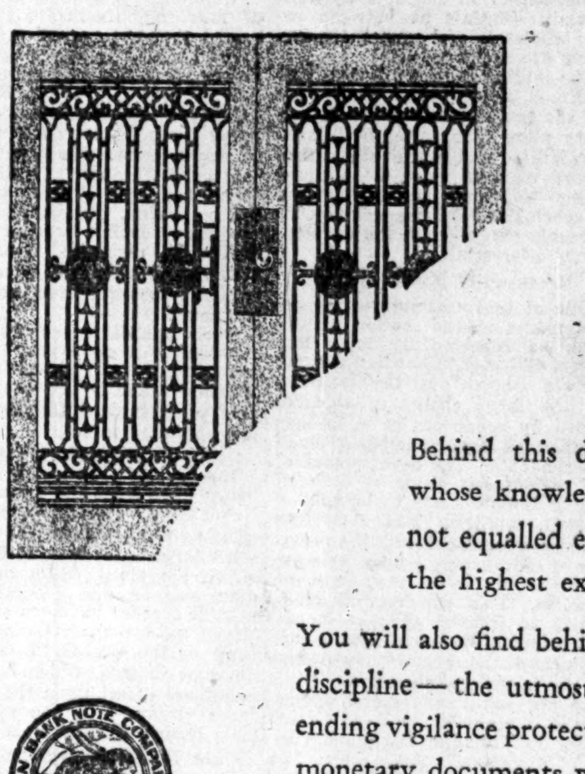

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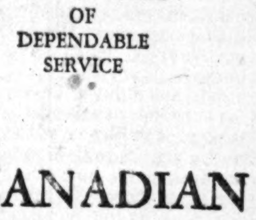

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News of Investment Markets

ONTARIO SHOWS $552,233 DEFICIT FOR PAST YEAR

No Provision Made for Debt Retirement; New Loan Proposed

SHORT TERM LOAN

Province Renews Amount of $20,000,000—Will Require $4,000,000 Extra Exchange

Ontario experienced a deficit of $552,233 in the fiscal year ended Oct. 31, 1931, according to preliminary figures just issued by Hon. E. A. Dunlop, provincial treasurer. No provision was made during the past year, however, to retire public debt applicable to strictly provincial purposes and postponement until the current fiscal year of the debt retirement scheme saves the deficit from being some $2,700,000 large.

Ordinary revenues in the past year totalled $54,392,349 and ordinary expenditures were $54,944,632. Revenue fell $347,000 short of the budget estimate and expenditures exceeded estimates by $235,000. Compared with the preceding year, revenues of the liquor commission increased $2,515,000; from lands and forests, $1,046,000 and corporations tax, $1,250,000. Succession duties dropped $1,725,000. Chief decrease in expenditures was $697,000 on account of public highways while the largest increase was in interest on public debt, higher by $1,666,000.

In the current year two long term loans were floated to the total of $60,000,000. Recent announcement by Premier Henry indicates that as soon as market conditions permit the province will float a domestic issue of $40,000,000. The province is understood to have secured banking accommodation to the extent of $20,000,000 early in September from a New York bank and this loan was repayable in November. These short term treasury bills fell due in November but they were extended for a few months and arrangements will have to be made in 1932 to take these up. If they have to be paid while the Canadian dollar is subject to a discount of about 20 per cent this will add about $4,000,000 to the amounts which the province have to pay. The new $40,000,000 loan will no doubt be of assistance in this matter.

Windsor Tax Arrears 43 p.c. of 1931 Levy

Tax collections of the city of Windsor on the 1931 levy of $4,017,582 amounted to $2,297,297, or 57.18 per cent, on November 30. During the same period in 1930 $2,580,954 was collected on a levy of $4,457,563. In addition to arrears on the current levy there remains $1,047,242 of arrears on the 1930 and previous levies. Collections on these past due accounts amounted to $52,000 in November and $72,700 in the first two weeks of December.

At November 30, 1931, the city owed the bank $481,781 for loans paid out of local improvement account and another $2,000,000 is owing on loans to meet current expenditures. Local improvement expenditures during 1931 have amounted to $457,038 of which $249,213 was on schools and $207,825 was on various improvements. Total debenture debt at November 30, 1931, stood at $14,341,854 with sinking funds on hand of $197,113.

Structural Steel Industry 1930 Output $26,000,000

Value of work done in the bridge and structural steel industry in Canada during 1930 amounted to $26,055,783.

Of the thirteen plants in the industry, which were engaged chiefly in fabricating and erecting structural steel for bridge and building construction, such as transmission towers, plate and tank work and so forth, 8 were in Ontario, 2 in Quebec and 1 each in Manitoba, Alberta and British Columbia.

Total of fixed and working capital reported by these plants amounted to approximately $29,000,000. Materials purchased totalled $21,549,435, and the value added by manufacturing processes was $13,506,348.

Expansion Indicated For Sterling Trusts This Year

When the Dec. 31 annual statement, covering the past fiscal year, of Sterling Trusts Corporation appears it will show, it is understood, an increase in savings deposits account of approximately 21 per cent. Guaranteed trust certificates will show a gain over the previous year of more than 20 per cent.

Last year the company showed an increase in saving deposits of about 9 per cent and in guaranteed trust certificates of approximately 17 per cent.

Razor Blades Chief Item of Hardware Factories

Production from the hardware and tools industry in Canada during 1930 was valued at $21,474,155, factory selling prices. This output was 22 per cent under the record established in the previous year at $27,658,312 and compares with corresponding totals of $25,131,821 in 1928, $24,470,656 in 1927, and $22,829,695 in 1926.

Bond Tenders

Dec. 26, School Municipality of Parish of Saint Simeon, Que.—$5,000, 5 per cent 20-year bonds. A. Tremblay, sec.-treas.

Dec. 26—School Municipality of Saint Simeon, $5,000, 5 per cent, 20-year bonds. A. Tremblay, secretary-treasurer.

8 p.m., Dec. 28, Hamilton, Ont.—$1,658,000 5 per cent installment debentures maturing from 1933 to 1961 and issued under seven by-laws. Principal and interest payable Hamilton only. Address bids to John Peebles, mayor. W. H. Davis, commissioner of finance.

Tax Payment Plan May Aid Municipalities

Toronto's plan of offering taxpayers the opportunity of prepaying taxes early in the new year may be borrowed by many other Canadian municipalities with beneficial results at this time when sale of municipal debentures is practically an impossibility. This plan and the sale of debentures direct to local investors appear to be the only two methods by which municipalities may raise funds other than by increasing bank loans.

Toronto has secured approximately $4,000,000 per year in prepaid taxes since 1927 when the plan was instituted. Citizens are allowed to purchase tax prepayment receipts with a face value of $10 and upwards at a discount of 5 per cent per annum. When the first tax installment comes due in May the prepayment receipts are accepted in payment, and if taxes are paid in full the usual discount is allowed.

The object of the plan is to secure funds during a period when the average municipality has no revenue from taxation. The civic budget for the year is usually being considered at this time and the plan obviates the necessity of going into the market with a bond issue.

The city finance commissioner circularizes a certain proportion of Toronto's 250,000 tax payers each year and advertisements are run in the daily newspapers. Taxpayers who took advantage of the plan in previous years are also circularized. The result, during the five years of operation, has been to bring in approximately $4,000,000 in the first month or so of the new year.

The Toronto tax department has prepared a table showing the amount of discount obtainable at different periods. The first three months of the year are divided into six periods and the discount allowed changes in each period. A tax prepayment receipt with a face value of $1,000 may be purchased at $984.50 from January 1 to 15 and the purchase price increases in subsequent periods to $995 in the period from March 16 to 31.

Want Priority Given Mortgagees in New Law

All Building and Mortgage Interests Conferring to Reach Agreement on Legislation Intended—Believe Law Will be Changed

Representations have been made to Hon. W. H. Price, Attorney-General of Ontario, to the effect that a bill should be introduced at the next session of the Ontario Legislature to change the law so that first mortgages on buildings in Ontario will have the first place which all mortgagees supposed it to have prior to the recent legal decision which gave priority to the claims of lien-holders as against mortgage bond holders of Queen's Park Plaza. It is stated that building has been halted everywhere as important lenders refuse to lend on first mortgages so long as they cannot depend on the register. Under the new ruling they say that first mortgages are no longer first mortgages.

The Lumbermen's Credit Bureau has called together all interested parties including the Land Mortgage Association of Ontario, general contractors, plasterers, builders, builders' supply firms and labor representatives to see if a general agreement cannot be arrived at with regard to the legislation that will be most in the interest of all concerned. It is understood that there has been practical unanimity in meetings already held that the priority of the mortgagee should be restored. It is recognized that lenders cannot be expected to make available money, which in many cases is trust money, on a building when liens which have precedence may later be entered against it.

That is only one point though the most important. As it is recognized that the law will have to be amended, the various interests feel that the time is opportune to consider the whole legislation relating to or affecting building. A number of defects have been noted in existing legislation and it is felt that the time is opportune for all concerned to give the whole field a careful survey and to lighten the load of the Attorney-General by presenting all the pertinent facts and recommendations which all interested parties can agree upon.

No approach of consequence will be made to the Attorney-General until something tangible of this kind is worked out, but those who have large interests at stake appear confident that the Government and the Legislature will do something in the current session. As there is practical unanimity as to the necessity of giving mortgagees priority there is considerable confidence that by next spring large lenders will once again be safe in advancing money to aid building. The present regrettable tie-up, which prevents employers willing to employ and workers willing to work coming together, may then be ended. Plans for later building are being made now in the expectation that the law will be changed. This will be stimulated further as soon as the Government can make a definite statement as to intentions.

Rhodes Scholar

JOHN LESLIE STEWART

Student at University of Toronto, who has been awarded a Rhodes scholarship. Many readers of The Financial Post know Mr. Stewart. He spent the summer of 1930 touring Western Canada for The Post and the summer of 1931 in the Maritime Provinces. The coast-to-coast knowledge he gained on these tours for The Post helped him win the award. He is a son of J. L. Stewart, general manager of the Canadian Automobile Chamber of Commerce.

Willard Shareholders Ratify Terms of Sale

Preferred and common shareholders of Willard's Chocolates Ltd. have ratified the proposal of purchase made by Blue Ribbon Corp. at a meeting held on December 18. Under the plan preferred shareholders will accept a reduced dividend rate of 6½ per cent cumulative from December 1, 1931. Dividends will be guaranteed until March 1, 1935, by Blue Ribbon Corp. and dividends now in arrears will be cancelled. The former dividend rate was 8 per cent cumulative.

Common shareholders of Willard's Chocolates Ltd. will receive $15 per share on or before April 15, 1935, shares being deposited until payment is made with voting power vested in a committee of three directors of the company, D. H. McDougall, J. W. Mitchell and H. B. Housser. The agreement of purchase by Blue Ribbon Corp. is dependent upon completion of sale of certain properties of Willard's now under lease with option of purchase held by Carruthers-Silverwood Dairy, Ltd.

Trans-Canada Insurance Calls 10 p.c. on Shares

A call has been sent out to shareholders by the Trans-Canada Insurance Co. to pay up a further 10 per cent on capital stock, payable 5 per cent on December 24 and 5 per cent on March 24.

As at December 30, 1930, the company had outstanding 6,662 shares of $100 stock which was 20 per cent paid up, so that the present call will bring paid-up capital to $199,860. Premium paid on stock at that date was $251,910. Company made a net loss in 1930 of $70,421, of which loss on underwriting accounted for $48,071.

Gem Lake Financing Enlargement of Mill

Gem Lake Mines has announced rights will be given shareholders to purchase 250,000 treasury shares at 8 cents per share in order to provide funds for mill enlargement.

Recently a ten ton test mill was started at the property to treat the high grade ore and bulk sample the development work. It is now proposed to step up the mill to a capacity of 50 tons per day, the revenue from which is expected to finance the new deep developments and provide for sinking the shaft to a depth of 1,000 ft.

C. P. R. Guarantee Interest on Lord Nelson Hotel Bonds

From Our Own Correspondent

MONTREAL.—An agreement between the Canadian Pacific Railway Co. and the Lord Nelson Hotel Co., of Halifax, whereby the former will guarantee payment of all interest due on outstanding bonds of the hotel company from November 1, 1931, until maturity thereof, has been ratified by the bondholders of the company.

The agreement was conditional upon a reduction of bond interest from 6½ per cent to 4 per cent. The amount of the issue presently outstanding is $600,000. It was first issued in 1927 and does not mature until 1947.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Cascade Water Power	4½%	1940	†May 1	100
Interlake Tissue Mills	*6%	1935	Feb. 1	101
Maine & N.B. Electrical Power ...	*6%	1948	Jan. 1	107½
Imp. Realty	*6%	1945	Jan. 1	103
Mt. Royal Tunnel & Term.	*5%	1970	Apr. 15	100
Pedlar People	8%	Serial	Jan. 1	102
Foreign Issues—				
City of Oslo, Norway	5½%	1946	Feb. 1	100

*Called in part.
†Or before.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1930-31 $	Net income 1929-30 $	Common earnings 1931 $	Common earnings 1930 $	Curr: divd. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	Yield %
De Havilland Aircraft of Canada	Sept. 30	656	8,921	...	...	...	34,518	44,976	...	...	...
Cosgrave Export Brewing Co.	Oct. 31	43,291	24,315	.43	.24	...	96,895	53,604	3¼	7.5	...
International Paints (Canada)	Sept. 30	25,697	115,352	...	1.87	...	58,719	80,272	...	...	...

COSGRAVE BREW. EARNINGS SHOW MATERIAL GAIN

Common Shares Earned 43 Cents Against 24 Cents in 1930

Cosgrave Export Brewery Co. had net earnings of $67,963 in the year ended October 31, 1931, which represented an increase of 44 per cent over 1930 and the largest amount earned in any year since 1927. The increase in earnings came through increase of 10 per cent in sales which was obtained despite the drop in total consumption of beer in Ontario. Sales since the end of the fiscal year are stated to have shown a slight increase over sales in the corresponding period of 1930. Earnings per share on the 100,000 shares of no par value common stock amounted to 43 cents as against 24 cents in 1930 after full provision for mortgage interest, depreciation and income tax.

The company is engaged in the brewing and production of Scotch ale, pale ale, lager beer, half and half and convalescent stout. Sales are made in Ontario through stores of the Liquor Control Board and through brewers' warehouses. During the past year $23,616 was spent on plant and equipment and a further $10,000 will be spent in the current year. The company is deferring action on dividends due to funds required to take care of principal payments on a mortgage which amount to $24,000 annually.

The income and surplus account of the company is as follows:—

INCOME AND SURPLUS ACCOUNT
Years Ended October 31

	1931 $	1930 $	1929 $
Net earn.	67,963	47,240	42,632
Less: Mtge. int. ..	4,637	5,932	6,368
Deprec.	16,936	16,668	14,896
Dom. inc. taxes	3,158	325	2,024
Net profit	43,232	24,315	19,344
Add: Inc. from investments	60	...	...
Surp. for year ...	43,292	24,315	19,344
Add: Prev. surplus	53,604	29,289	9,945
Balance forward .	96,895	53,604	29,289

While the ratio of current assets to current liabilities is slightly lower at 4.79 to 1, cash position has improved. Current assets amount to $136,766 as compared with $120,372 in 1930 with cash up to $31,798 from $16,817; accounts receivable vary slightly higher at $14,691 while inventories of beer, malt, hops, etc., are up to $68,061 from $59,303 and barrels, cases, bottles, etc., are down to $22,216 from $30,006. Accounts receivable are the only current liability and stand at $28,541 as against $23,324 in 1930.

Plant and equipment are shown at $404,993 against $398,313 in 1930, while buildings at $250,593; land at $93,900 and goodwill, trademarks, etc., at $282,717 remain the same. Cash value of life insurance is up to $4,500 from $3,200; prepaid expenses slightly higher at $5,967 and investments are carried at $1,000. Mortgage payable has been reduced to $55,000 from $79,000 during the past year. Common stock remains unchanged at 100,000 shares carried at $1,000,000, while surplus has been increased to $96,895 from $53,604.

MTL. EXCHANGE START OVERHAUL LISTED STOCKS

Place Number on Free List and Revise Price on Others

From Our Own Correspondent

MONTREAL.—Following up its announcement of lifting the minimum prices as conditions warranted, the Montreal Stock Exchange announce the elimination of a group of stocks that have been inactive for some time.

The inactive issues are to be placed on the free list, while the "pegged" prices for others more active have been revised downward.

Many on Free List

Following are the issues placed on the free list:

Abitibi Power & Paper, 7 per cent preferred.
Agnew-Surpass Shoe, common and preferred.
Alberta Pac. Grain, preferred.
Amalgamated Elec. Corp., common and preferred.
Bathurst Power & Paper "A."
N. Bawlf Grain, preferred.
British Empire Steel, first 7 per cent preferred.
Canada Foundries & Forgings "A."
Canadian Fairbanks-Morse, pref.
Canadian Gen. Elec., com. and pref.
Canadian Locomotive, com. and pref.
Carriage Factories, preferred.
Dominion Iron & Steel, preferred.
East Kootenay Power.
Famous Players Canadian Corp. and voting trust certificates.
Foundation Co. of Canada.
Frontenac Breweries, com. and pref.
Goulds Pumps Inc., com. and pref.
Intercolonial Coal, com. and pref.
Maple Leaf Milling, common and two classes of preferred.
Mexican Lt. & Pr.
Montreal Loan & Mortgage.
Montreal Telegraph.
National Brick, preferred.
N. S. Steel & Coal.
Pt. Alfred P. & P., preferred.
St. Law. Flour Mills, com. and pref.
St. Maurice Valley, preferred.
Simpsons Limited, Class "A," Class "B" and preferred.
Western Grocers, com. and pref.

Revision of Prices

To place the Montreal list on a common ground with the minimum prices which still remain on a few stocks on the Toronto Stock Exchange, the committee have revised the following prices (first price being the original minimum price and the second figure the new minimum): Bell Telephone 121-119; Gypsum Lime 5½-5; Lake of the Woods preferred 85-35; Steel of Canada 22-21; Windsor Hotel 12-10; B. C. Power "B" 8⅝-8; Canada Cement preferred 66-65¼; and Smelters 65-60.

Toronto Adds Others

The Toronto Stock Exchange has just added the following issues to the free list: Alberta Pacific Grain, preferred; British Empire Steel, 1st preferred; Canada Foundries and Forgings "B"; Dominion Steel Corp., preferred; Famous Players, common and voting trust, and Gypsum, Lime and Alabastine. New minimum prices were set as follows: Bell Telephone, 119; and Consolidated Mining and Smelting 60.

Toronto Stock Exchange has gone almost as far as it is able toward restoring a free market until action comes from other bodies.

Ontario Municipal Debt Gains 86 p.c. Since 1920

Total debenture debt of all Ontario municipalities amounted to $485,280,182 at the end of 1930 according to the bulletin of municipal statistics just issued by the Bureau of Municipal Affairs. This compares with $260,885,014 in 1920, a gain of 86 per cent having been recorded in 10 years. The total debenture debt at the end of 1930 was $33,343,590 greater than that of the previous year and $49,367,375 larger than that of 1928. Sinking funds had decreased by $3,554,917 during the same period to total $60,020,112 at the end of 1930.

Taxation imposed totalled $122,730,972 in 1930 against $115,787,422 in 1929 and $110,811,025 in 1928. Chief increase was in municipal taxes which rose to $82,993,302 in 1930 from $74,611,238 in 1928 and $48,395,970 in 1920. School taxes at $39,737,670 compared with $37,847,091 in 1929, $36,199,787 in 1928 and $23,876,983 in 1920.

There are 938 organized municipalities in Ontario which are divided into 38 counties, 28 cities, 145 towns, 154 villages and 573 townships. Assessed population in 1930 was 3,141,633 of which 1,457,085 were in cities, 1,095,537 in townships and 589,011 in towns and villages. Assessed acreage totalled 25,878,092 acres. The total taxable assessment is divided as follows:

ONTARIO'S TOTAL TAXABLE ASSESSMENT IN 1930

	Land $	Buildings $	Business $	Income $	Total taxable Assessment $
Townships	553,800,256	247,885,932	8,230,239	4,491,654	814,408,081
Towns, villages.	108,734,345	245,255,379	33,586,897	11,528,629	399,105,250
Cities	652,243,575	951,277,882	190,426,400	119,071,914	1,913,019,771
Total, 1930	1,314,778,176	1,444,419,193	232,243,536	135,092,197	3,126,533,102
Total, 1929	1,291,803,654	1,383,517,323	219,323,197	119,218,961	3,013,863,135
Total, 1928	1,279,230,900	1,322,454,777	207,221,703	106,026,692	2,914,934,072

C. P. STEAMSHIPS PASSENGERS FEWER

St. Lawrence Season Shows General Decline—Gain in First Class

From Our Own Correspondent

MONTREAL.—Passenger traffic of the Canadian Pacific steamships during the 1931 St. Lawrence season was not as heavy as during the 1930 period due to a variety of causes.

Eastbound figures, while showing a general decrease compared with last year, register a gain in third class travel of 2,392, attributable to lower round trip fares at the opening and close of the season.

Gain in First Class

First class figures show an increase of 608 over 1930, largely due to the first year's operation of the newly constructed Empress of Britain. Cabin and tourist travel showed the greatest falling off, bringing the total decrease in eastbound traffic to 5,216.

Despite this traffic decrease, which is a lower percentage than that met by other steamship lines, including those operating out of New York, the average number of passengers per ship from Montreal and Quebec to the Canadian Pacific's British and Continental ports was increased by slightly over 10 per cent per average sailing.

The absence of the Empress of Australia during the summer on cruises from England to Norway, and the transfer of the Duchess of Atholl from the transatlantic service to a series of miniature cruises from Montreal to New York, together with a decrease in the number of transatlantic voyages brought the total number of sailings down from the 96 of 1930 to a total of 75, with a resultant decrease in operating costs, at the same time increasing the average number of passengers per ship.

Total figures eastbound were, all classes, 33,400, as against a total of 38,656 for the St. Lawrence season of 1930.

Obituary

H. M. Bradford, president of the H. M. Bradford and Co., investment bankers, of Halifax, died at the age of 65 years.

Royal Bank Elect New Vice-Presidents

From Our Own Correspondent

MONTREAL.—A. J. Brown, K.C., and Morris W. Wilson have been appointed vice-presidents of the Royal Bank of Canada.

Mr. Wilson heretofore director and general manager of the bank, will in future occupy the joint position of vice-president and general manager. He is also a director and a member of the executive committee of the Montreal Trust Co.

Mr. Brown has been a member of the board and chief counsel of the bank since 1912. He is senior partner of the law firm of Brown, Montgomery and McMichael, vice-president of the Montreal Trust Co., and a director of a large number of companies, including, among others, Dominion Bridge, Steel Co. of Canada, Dominion Engineering Works, Price Bros., Abitibi Power and Paper, Canada Steamship Lines, etc.

Nfld. Railway to Operate Post Offices, Telegraphs

Many functions of the Newfoundland post office and postal telegraph departments are being taken over by the Newfoundland Railway as from December 15, while the government has under consideration the closing of 330 post offices scattered throughout the island, as a further step in the economy campaign.

Plans have been under consideration for some time to eliminate duplication in this regard, railway and postal telegraph lines paralleling each other in many sections. Railway agents at many points will now act also as postmaster and postal telegrapher, while at the same time duplication in repair and maintenance services will be unified.

Wm. B. Nichols and Co. Form Montreal Branch

From Our Own Correspondent

MONTREAL.—William B. Nichols and Co., New York, announces the formation of an affiliated Canadian company, Nichols, McCann and Co., of Montreal. The new company is incorporated under Canadian laws for the purpose of carrying on an investment banking business and will also conduct an industrial management in part. Lee A. McCann, formerly with W. B. Nichols and Co., in New York, will be the resident manager in Montreal.

Melchers Distilleries Reduce Bank Loans

From Our Own Correspondent

MONTREAL.—Melchers Distilleries has improved its liquid position during the past few months and it is likely that the balance sheet at the end of 1931 will reveal a substantial decrease in bank loans. At the end of 1930 these totalled $390,000.

The company has been disposing of certain liquors which have recently matured though sales in the export market naturally yield but a moderate profit under existing conditions. Domestic business has fallen off as well, and profits are not expected to show improvement over those of last year. A loss of $2,897 was reported before depreciation in 1930.

Dividends which were formerly paid at the rate of $2 a share on the class "A" stock, were passed in December, 1930. One dividend of $1 a share was declared on the class "B" stock in December, 1929. This was never disbursed, and was added back into surplus at the end of 1930. The sum totalled $50,000.

Trade Cruise to B.W.I. Gaining Material Support

The Canadian trade exhibition cruise being organized by the Clarke Steamship Co. to visit Bermuda, the British West Indies, British Guiana, the Bahamas and Cuba, and which has been endorsed by the leading business organizations in Canada, is receiving encouraging support from Canadian exporters.

Already a large amount of available space on the S. S. New Northland has been booked and it is believed that tangible results will be experienced by the firms participating in this export trade development effort, in which the co-operation of many presidents of the leading Chambers of Commerce in the territories to be visited has been enlisted by the Canadian chamber.

First All-Canadian Trustee Pays 30 Cents Per Share

From Our Own Correspondent

MONTREAL.—Montreal Depositor Corp. has declared a distribution of 30 cents a share on First All-Canadian Trustee Shares, ordinary, for the six months ended December 31. Of this amount 27.59 cents a share was made up of regular cash dividends received and the balance, 2.4 cents, was drawn from the reserve fund.

Capital: $1,000,000

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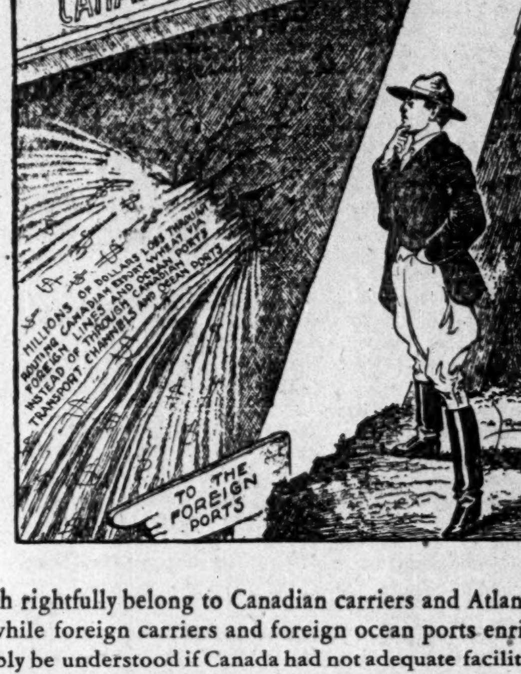
The monetary loss to Canadian labour, transportation and Atlantic seaports through the diversion of Canadian grain shipments to foreign lines and ocean ports, amounts to millions of dollars annually.
CANADA MUST PLUG UP THE HOLE!


CANADA'S WEALTH DAM
MILLIONS OF DOLLARS LOST THROUGH ROUTING CANADIAN EXPORT WHEAT VIA FOREIGN LINES AND OCEAN PORTS INSTEAD OF THROUGH CANADIAN TRANSPORT CHANNELS AND CANADIAN PORTS
TO THE FOREIGN PORTS

An Economic Waste

THE loss of millions of dollars in shipping charges which rightfully belong to Canadian carriers and Atlantic seaports is reflected throughout every phase of life, while foreign carriers and foreign ocean ports enrich themselves at Canada's expense. The situation might possibly be understood if Canada had not adequate facilities for the transporting and shipping of her own grain surpluses. Millions of dollars have been invested in adequate seaport facilities, now equal to any on the American Continent. $330,000,000 was spent in the construction of the National Transcontinental Railroad alone for the express purpose of transporting Canada's export grain and commodities to Canada's Atlantic seaboard...and these facilities are only being used to a fractional part of their capacity.

STOP THE WASTE!

The millions of dollars represented by the diversion of Canadian grain and commodity traffic to foreign carriers and foreign seaports should stay in Canada to provide additional income to the facilities Canada now owns. The Western Canada producer would reap incalculable benefit through his ability to market his grain in an orderly manner and throughout the whole year. Canadian industry and Canadian merchants would benefit directly through the circulation of these millions of dollars and thousands upon thousands of workers in docks, railway yards, elevators and on trains would be given employment all year round.

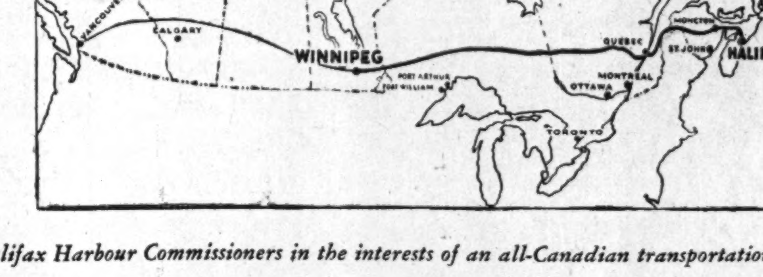
Keep Your Transportation Dollars in Canada!

SHIPMENTS OF CANADIAN GRAIN IN 1930

Through United States Ports
67,747,685 bushels

Through Canadian-Atlantic Ports
5,153,553 bushels

AN ALL-CANADIAN ROUTE FOR CANADA'S GRAIN



This advertisement is inserted by the Halifax Harbour Commissioners in the interests of an all-Canadian transportation policy

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TORONTO, DEC. 26, 1931

THE RAILWAY PROBLEM

RECENTLY in an editorial discussing the railway problem in Canada, it was suggested that operating amalgamation of the two lines which would fall short of being an actual corporate merger was distinctly a possibility. It is possible that such an amalgamation would solve Canada's railway problem for the next five years. Enormous savings might be made, and these savings might even be sufficient to restore the 10 per cent dividend on C. P. R. stock and to return a considerable amount in excess to the people of Canada as a dividend on their investment in the Canadian National Railways. But these savings might be very illusory. Whether an amalgamation would provide a permanent solution or not is quite another matter. There might indeed be important immediate savings, but in time a railway monopoly would tend to develop a bureaucratic sluggishness that might prevent the development of the most efficient and economical railway service for the country. All over the country, newspapers are expressing the viewpoint that Canada does not want railway monopoly. This public opinion will have to be taken into account.

An alternative plan would be to establish a modified form of joint-management which would provide a board of co-ordination consisting, say, of three representatives of Canadian National Railways, three representatives of the Canadian Pacific Railway and one independent representative appointed by the government. The purpose of this board would be so to co-ordinate the activities of the two lines that unnecessary duplication of effort would be avoided and economies effected that would not entirely eliminate that degree of competition that is essential for good service.

It is interesting to speculate upon some of the policies that might ensue from this modified form of joint control. Undoubtedly, the new board would be given control of all new capital expenditures which would prevent the useless duplication of hotels, railways, and other facilities that we have seen over the past eight years. It might even put into force a consolidation of hotel activities and of telegraph activities, and it is within the bounds of possibilities that it might effect a pooling of all passenger revenues, leaving the railways to compete only in express and freight service.

There are many possibilities in a railway situation and it is, of course, futile to attempt to forecast what the present railway commission will recommend. Undoubtedly the commission will survey at least a dozen plans involving all degrees of joint and competitive operations, and no doubt its recommendation—if it is confined to a single plan—will be one that the commissioners will feel is not only economically sound, but politically possible.

The most important thing for newspaper editors, business men and political leaders to do today is to keep an absolutely open mind upon the railway question, not to determine in advance what their attitude will be toward any proposal that might be made and to reserve final judgment upon the whole railway problem until this very capable commission has studied the problem from many angles and has entered a report.

Canada has had many investigations into and reports upon its railways. It seems fair to expect that the report that will be presented by the Duff Commission will be the most important of all of them.

One idea that is prevalent may be dismissed as quite absurd. This is the notion that is gaining ground that the Railway Commission has been given its orders to go through the motions of making a comprehensive investigation merely in order to present its recommendations for a plan that has already been presented to it by the government. Each of the commissioners may have some idea as to the possible solution of the railway problem. The government itself may have its ideas. The railway presidents may have their ideas, but one has only to note the names of the men who constitute the commission to arrive at the conclusion that they would not be party to a scheme to advance a preordained plan upon the people of Canada.

TURNER VALLEY SHOULD BE CONSERVED

TURNER VALLEY'S life will be over for all practical purposes in four or five years if no conservation programme is adopted. As the Alberta Government's consolidation plan promises to extend this life to 20 years it is evidently to the real interest of every company owning important acreage, including Imperial Oil, to co-operate if the plan is made equitable in its operation.

The plan of the Alberta Government experts turns on curtailing the flow to 100,000,000 cubic feet daily, utilizing wells with greatest content of naphtha for about five years, and then, when naphtha content is not large enough to justify **waste of gas, further curtailing the field to exact requirements of the market for gas.**

Alberta Government experts suggested that the natural gas resources of each well should be determined on the basis of production in April, May and June of this year. Imperial Oil and other large interests are understood to have taken the ground that the existing situation should be the basis. Some of the wells which showed about 1,200 pounds pressure last spring are now showing only about 800 pounds, so that there has been considerable depletion of gas since that time in such wells. It is argued that it would be unjust to allow such depleted wells to share on the same basis as wells which have so far conserved their resources.

If the plan is adopted the Turner Valley will be exploited with more method than in the past, and naphtha and gas output will be credited to companies throughout the field according to natural gas resources of each as determined by means of flow and pressure.

Calgary is understood to use about 7,500,000,000 cubic feet of gas in a year. Restricted gas flow proposed is many times all present requirements. Therefore consuming centres all desire gas to be conserved although it may mean a slight increase in cost of gas to pay for the expenses of pro-rating. Consumers would benefit in the end if this is done.

MINIMUM STOCK PRICES SHOULD GO

EXTREME diversity of opinion exists among Canadian brokers, investment bankers, banking and trust company officials and traders as to the advisability of maintaining further the policy of setting minimum prices on important stocks which have in the past been favorite trading and investment media for Canadians. As the policy continues it may be taken for granted that the greatest pressure comes from those who desire prices to remain "pegged." It is understood also that general consent has come from those who do not believe in the policy to support it until the "necessity" no longer exists.

A free market must come sooner or later. "Pegged" prices permit highly artificial conditions to develop and lead to an utter lack of confidence in market conditions. It is true that in most cases the "minimum" prices set express a majority of interested opinion as to what is a reasonable low price for the different stocks, but unless those prices are supported by interests which are willing to take all stock offered, the minimum prices merely prevent buyers and sellers meeting.

The New York Stock Exchange had a free stock market again within a few days after the declaration of the British Government that it had gone off the gold bullion standard. It now appears that the Canadian situation would have been healthier at present if the same policy had been followed. Many, however, who think that a mistake was made in not restoring a free market at the outset, believe that it would be a mistake to go back to that free market now. In other words, they feel obligated to stick by a policy under which much borrowing has already been done and many transactions made.

Because of many breaks in stock market prices since the great crash in October, 1929, the brokerage business has been fighting against adverse conditions. In the long run this policy of maintaining "pegged" prices is another adverse condition of their own making; it warns off experienced traders from stocks with minimum prices just as plainly as though a sign-board were hung out with the words, "We are afraid that, without 'pegging,' these stocks would go below what we consider reasonable prices, and so we establish minimum lows."

At the same time these "pegged" prices act as an inducement to the less experienced traders to buy. They take the minimum prices to be a guarantee that prices cannot go lower and they buy on margin in many cases with the idea that they cannot be called on for more. Even though a real effort is made to hold stocks for such buyers without additional calls for margin, there is something wrong in a situation which causes them to rely on weakness under the impression that it is strength. Sales in recent weeks on an "over-the-counter" basis below stock exchange minimums startled some brokers into a call for more margin from such clients. The latter were both astonished and angered at such calls because they had been relying on minimum prices.

Every effort is being made to stop outside trading in "pegged" stocks but that will tend to dry up the market instead of to concentrate it in the Exchanges. So long as the banks will lend money on the basis of the minimum prices, the present policy will aid those who have put up all the money they can afford in order to hold their stocks. On the other hand, it discourages buying by others who might otherwise be a strength to the market. The bargain-hunters, who are generally a source of strength in the low stages of a market, are warned off by such a policy.

Every shareholder, whose stock is listed, has a right to a free market so that at some price he can sell if there is a buyer available. How can buyers be made available if potential purchasers lose confidence in market quotations. Therefore Canadian stock exchanges should move steadily in stock after stock toward restoring an entirely free market as early in 1932 as possible.

HIGH INDEMNITIES PAID WESTERN LEGISLATORS

SUGGESTION that the Provinces of Manitoba, Saskatchewan and Alberta should be consolidated for the sake of economy in government and administration has recently reappeared in Western Canada. As an indication that ideas of economy are getting abroad it is interesting, but otherwise it is not useful at the moment. Even if practicable it would take a long time to work out, and in the meantime discussion of the proposal would divert attention from immediate reductions in expenditure that can be effected in each province. There is enough in that direction to be done to occupy the attention of the three provincial legislatures and their respective governments.

A useful beginning could be made by reducing temporarily the high indemnities that are paid to provincial members. They should be cut, not in proportion to such reductions as are made in the salaries of ministers and civil servants, but to a basis that represents a more reasonable payment for the time actually involved. Manitoba, for example, pays 55 legislators $2,000 a year each for attending a session two months or so in length. A reduction by one-half would take care of the interest requirements on $1,000,000 of the province's debt. Such a reduction should also result in a realization that government is not an institution that has an unlimited amount of money to spend, and have an indirect effect quite as important as the immediate result.

THE HORRIBLE EXAMPLE

THE township of West Sandwich, situated to the south of Windsor and the town of Sandwich, has 50,000 vacant lots owned by 30,000 people living all over North America, from Maine to California. The resident population is 3,600 and yet because of the subdivision and sales activities of real estate promoters the accounts of the municipality have now to deal with 50,000 separate items of assessment, only exceeded in Ontario by Toronto's municipal roll. Worse than this, to support the real estate selling campaigns there has been spent in the area $2,000,000 on local improvements which will not be needed unless the district becomes rapidly urban in character.

The amount of money wasted in this thinly-populated community of farmers to support real estate sales has no present value to the owners of property. The people who bought those lots are not answering appeals for taxes. As a result, the municipality is one of those which has had to face default on its obligations.

This is probably one of the most glaring instances in Ontario of wholesale borrowing and reckless waste of taxpayer's and lender's money. It underlies the potential value to taxpayers throughout the province of having a responsible body under provincial government control which will grant municipalities the right to borrow only after a thorough survey of their ability to pay and the inherent soundness of the projects for which the money is borrowed.

EDITORIAL NOTES

The air route over Greenland is held to be impractical yet. But time and science erase impracticalities.

* * *

Australia and its states owes more than twice as much per capita as Canada and its provinces. But her bonds are worth only about half as much.

* * *

Because Dominion notes are still redeemable in gold it is argued that Canada is on the gold standard. Sir Basil Blackett says: "It is important that we should get away from the medieval notion that gold is held as a backing for notes." Sir Otto Niemeyer says: "A gold coin in internal circulation is not the sign of good form or of advanced economic conditions but just the opposite—it is the sign of almost medieval decadence."

* * *

In Canada, Mr. Bennett has threatened with one-year terms in prison newspapermen who wrote articles on the Canadian financial situation that he did not like. What should he do with the chief of the finance and investment division of the United States department of commerce who writes "Canada has abandoned the gold standard?" But this gentleman is safe. Mr. Bennett has no more power to put him in jail than he has to jail the Canadian newspapermen he tried to bluff.

POST-scripts

RECENTLY, both of the two major Canadian railways have been reducing their passenger schedules in an attempt to meet the situation created by declining revenues. This economy campaign has not failed to bring protests from chambers of commerce and business men in towns that have been affected.

Recently one of the trains between a Western Ontario city and Toronto was taken off. A deputation of the local business men decided to go to Toronto and protest. In Toronto they conferred with the general superintendent for the district.

When they entered his office, he pulled out his watch and said, "Gentlemen, you are very early. How did you get here so soon? We haven't a train arriving in Toronto from your city for another half hour yet."

The deputation explained: "We all drove down in our cars this morning."

"There, gentlemen, is your answer as to why we curtailed the train service," responded the superintendent.

WHERE do the toys come from which are in the pack of jolly old Santa Claus as he climbs down the chimneys to delight the little hearts, and bring Yuletide joy to good Canadian children? The National Revenue Review attempts to answer the question.

The toys are not all made at home, although many are, and Canada even exported to other countries, chiefly to the United States, New Zealand and Newfoundland, toys and other fancy goods valued at $28,342 during the last fiscal year.

Many of the toys enjoyed by children of this country are purchased abroad. During the fiscal year ended March 31, 1931, Canada imported toys, including dolls, to the value of $1,974,434. Of this total those imported from the United States were valued at $830,634; from Germany $637,179; from the United Kingdom $241,415; from Japan $192,679; from France $28,544; from Czechoslovakia $17,374.

The origin of toys is lost in the mists of antiquity. Probably the children of Adam and Eve improvised the first dolls, clothing them in the simple fashion of the day. One of the oldest actual relics of childhood days, however, is a tiny clay horse made by a potter in Ur of the Chaldees to delight the heart of some small Methuselah. Many toy relics have been preserved from ancient Egypt consisting chiefly of dolls made of wood, stone, earthenware and metal. In the British Museum on his last visit there the editor saw a wooden Egyptian doll with mud beads representing hair, also a number of other Egyptian toys including a wooden calf, a porcelain elephant, and leather and papyrus balls stuffed with hair or straw. In the Museum at Berlin there is a small limestone lion fashioned much like a toy of today, but which was the property of a child of Persia about 1100 B.C. Greek and Roman children played with go-carts, building blocks, balls, tops, rattles, dolls and many kinds of games. One of the most popular toys with the children of the Middle Ages, however, was the tin soldier, and next in popular esteem came the puppets. These puppets originated with the Greeks, and were taken to France in the reign of Charles IX by an Italian named Marion. In the sixteenth century the puppets blossomed out into the famous Punch and Judy shows, and today they are represented by the beautiful marionettes.

Business Needs Goodwill If It is to Grow

Goodwill under the aspect of "Public Relations in government, journalism and business" was the subject of an address given recently by Main Johnson of Toronto. The address was based on the speaker's own experience as private secretary to Hon. N. W. Rowell, as one of the editors of a Toronto newspaper, as general manager of the Toronto Industrial Commission and now as an executive of the Robert Simpson Company.

"The principle behind the facts and incidents presented in this address," said Mr. Johnson, "is that all the institutions under discussion—government, journalism and business—are in their essence democratic because their success and their very existence depend on the goodwill of the public.

"A government may be beneficent and wise but if it is not rooted in popular approval it will be defeated in the constituencies. A newspaper may be capably edited and conscientiously managed but unless it has the favor and affection of its subscribers it cannot be successful. A business house may have good merchandise and be efficiently run but without the public's goodwill it cannot succeed.

"It should be remembered, of course, that beneficence and wisdom in government, editing and management in journalism, merchandise and management in business are fundamental factors in creating the goodwill we are talking about but this goodwill itself is a subtle thing and, apart from what creates it, is a necessary factor."

Where U. S. Interests Really Lie

LAWRENCE STAFFORD
in "The Virginia Quarterly"

With what Mr. Thomas L. Chadbourne believes was "almost malign stupidity," the Tariff Act of 1930 "struck at those countries that are our closest neighbors, our best customers, and, by every force of tradition, our friends and partners."

Meanwhile, whatever can or cannot be done to turn the tide toward mutual confidence, the best thing that could happen to the American people would be for them to understand where their true economic interests lie. Those interests, so far as foreign trade is concerned, lie primarily with our neighbors, to whom through our tariff we have hardly been neighborly. If that fact were grasped, we might avoid showing further evidence of "almost malign stupidity."

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By F. S. C.

U. S. AND GOLD STANDARD

UNDOUBTEDLY, there is considerable European propaganda in the news dispatches which forecast that the United States will be forced off the gold standard. What European countries would like would be a cheapening of the dollar. Anything that would bring the American dollar nearer to the level of that of the British pound, and of the currencies of other European countries that have abandoned the gold standard, would be welcomed. Certainly if the United States were to suspend payments in gold this would lower the relative price of the American dollar and would provide a substantial substitute for a rise in the European exchanges. Of course, the process of cheapening the American dollar could be carried on without abandonment of the gold standard by the United States. By a policy of domestic inflation which would involve the creation of huge amounts of credit through expansion of currency issue, and through the greater use of paper instruments based upon a smaller percentage of gold a great stimulus could be given to American business, temporarily, at least, but, of course, at the expense of the dollar.

* * *

WHY Europe wants the dollar to depreciate is quite obvious. The immediate advantage in trade of having the pound sterling and other currencies selling at a discount compared with the American dollar is one important consideration favoring the maintenance of the present situation. The United States exporters are meeting with considerable difficulty in selling to countries with depreciated currencies. These countries in turn are favored in world markets where the United States would ordinarily be an important factor. But beyond this consideration lies the fact that most of these countries are heavily indebted to the American people and the debts are payable in dollars. If they can get their own currencies up in relation to the dollar, either by a rise in their own currencies or a decline in the dollar, the burden of their debts to the United States will be considerably reduced.

* * *

IT IS highly unlikely that the United States will abandon the gold standard. One cannot now foresee any such development as likely to come out of the present world situation, although circumstances might gain ground that would bring such a move to pass. Nor is there any likelihood that the United States will devalue the dollar by re-stating its value in terms of gold. The alternative of inflation in the United States is a more likely possibility and in fact President Hoover's present programme calls for a certain amount of inflation, although he denies vigorously that inflation is involved in it at all.

In any event, the discussion is of great interest and is likely to become more widespread because there is a very strong feeling in many circles that the world's problems will be solved more easily by raising the value of all goods and services to the 1929 level or thereabouts than by continuing the process of deflation until all factors have been brought into line with present commodity prices. That the price level should be increased was one of the primary recommendations of the MacMillan report.

* * *

GERMANY TO REPRISE

AN AUTHORITATIVE forecast has it that at the January conference of governments to be summoned to receive the report of the Basle Committee, the German Government will formally announce the discontinuance of reparation payments under the Young Plan. The German policy is likely to be in favor of taking care of the commercial debts which would leave no surplus available for the reparations debts. Germany will ask, according to this report which comes from an excellent inside source, that abandonment of the payments is the only way out and that an extension of the present moratorium is of no genuine value to the situation, since the moratorium tends to freeze the status quo, which is at present decidedly unsatisfactory.

Perhaps it is just as well that Germany should take the initiative in bringing the futile and long continued discussion on reparations and war debts to a head. If Germany refuses to meet reparation payments, then a revision of the war debts will be forced. That the war debts will be cancelled is unlikely, but it would be logical to assume the complete revisions of these debts on the basis of ability to pay plus the basis of reparation payments. That is to say, those European nations which are unable to pay their debts to the United States and other credit or nations would have them written down and in addition even those nations which are able to pay would receive benefit to match their losses under the reparation suspension.

This means obviously that the ultimate cost falls upon the American taxpayer and there will be larger howls from the American senators, congressmen and the popular newspapers. Even American banking and industrial opinion is divided on the question of whether or not the United States can afford to deflate the war debts due to it. Perhaps the determining factor in this situation is something that has seldom even been discussed; the fact that the total principal payments that the United States will receive over a term of more than half a century on account of war debts will amount to less than the country would lose in national income from the continuance of the depression for one more year.

* * *

PRESIDENTIAL PROSPECTS

IN THE United States they are naturally discussing presidential possibilities for 1932. Democrats and Republicans will hold national conventions next summer to select their candidate for the 1932 election. The times have run against President Hoover and there is a feeling even in high business circles in United States that the bubble of superhuman Hoover has been pricked.

At the present time it is almost certain that Hoover will be selected by the Republicans to succeed himself as candidate for president. Hoover does not command the complete confidence of his party, but he does control the machinery of political management and patronage and this is all important. If Hoover wants to run again, Hoover wil have to be selected again, and there is no doubt in the world that Hoover considers that he has done as good a job as anybody could have done under the circumstances and that he is anxious for a second chance.

There are opposition booms under way in the Republican party. There is a movement under way to revive the Coolidge-Dawes ticket of 1924, and Dawes also has been suggested as presidential candidate. Coolidge has already declared that all good citizens should support Hoover and he got $10,000 from the Saturday Evening Post for writing the article in which he declared his policy. Dawes is declared to have been very much annoyed by the discussions regarding himself. So it looks like Hoover for the Republican candidate.

The Democrats have several men in mind, but the weight of support at the moment runs strongly to Governor Franklin D. Roosevelt, of New York with Newton D. Baker and Governor Ritchie, of Maryland, looming up.

Wall Street makes no secret of its expectation that the Democrats will sweep the Republicans out of office. Even Republican financiers say that Hoover cannot do anything now to stem the tide. All the Republicans says is that it is a long time until election, time enough to bring back to $1.25 wheat.

"Stop Me If You've Heard This One"

An auto tourist was travelling through the great Northwest, when he met with a slight accident to his machine. In some way he had mislaid his monkey wrench, so he stopped at a nearby farmhouse, where the following conversation took place between himself and the Swede farmer:

"Have you got a monkey wrench here?"

"Naw; my brother he got a cattle rench over there; my cousin he got a sheep rench further down this road; but too damn cold here for a monkey rench."

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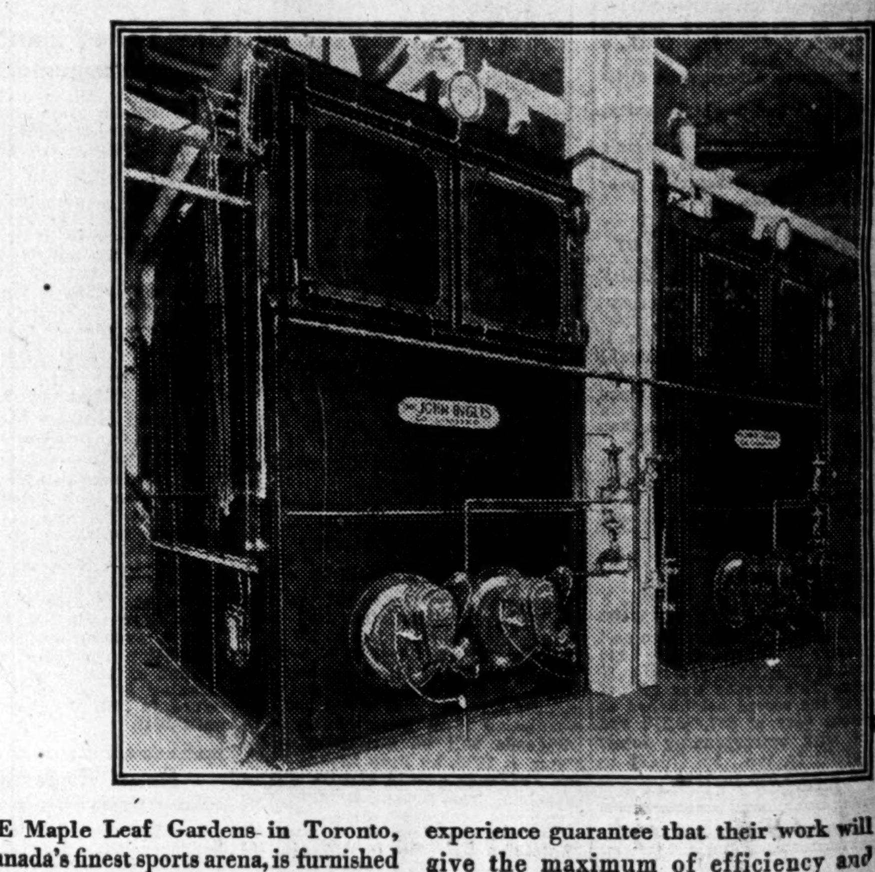

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Business Conditions in Canada

The Week in Business

French Treaty Abrogation Vitally Important

Christmas Not Too Merry for Business

ALTHOUGH the drastic measures being taken by Prime Minister Bennett to stem the decline in the price of the Canadian dollar have assumed first place in the week's news, another important announcement from Ottawa, namely the abrogation of the French treaty, may be considered of equal if not more importance as indicating a major change in trade policies of the Dominion.

Its importance lies in the fact that since it was passed in 1922 it has become the virtual basis of the so-called "most favored nation" treaty agreements which Canada has negotiated with most of the leading nations of the world outside the United States. As pointed out by our Ottawa correspondent elsewhere in this issue, the French treaty applied to France, United Kingdom (some of the rates being actually lower than the British preference) Argentine, Colombia, Denmark, Japan, Norway, Sweden, Switzerland, Venezuela, Finland, Czechoslovakia, Belgium, Esthonia, Hungary, Italy, Portugal, the Netherlands, Latvia, Roumania, and Spain—and representing on the basis of our fiscal year trade returns, and exclusive of the United Kingdom, a total trade of over $150,000,000.

Briefly the French pact was abrogated because the "minimum" tariff schedules which it originally gave to Canada have now been raised to such an extent that Canada apparently feels she has nothing to gain by its further continuance, in view of the additional fact that there were many important "fixed" rates which have loaded the tariff in France's favor in recent years. Current interest now centres around what new "basis" the government will now choose for negotiations of new "favored nation" treaties.

* * *

AS TO news and developments of the past week there is little to help business toward a "Merry Christmas." About all that can be hoped for is that Germany, foreign exchanges and so forth will have a "Happy New Year" and that reparations, high tariffs and other trade obstacles will have a very unhappy time in 1932. One particularly disturbing factor indicative of the generally unsettled condition of business is the fact that the New York Annalist weekly index of commodity prices has currently taken a further drop to new low ground and is nearly 3 points below its 1913 base. There is no doubt that business recovery generally throughout the world still hangs largely on settlement of the German crisis and there is a general feeling that once that situation and its various financial and international ramifications are cleared away, the road to economic recovery will be rapid.

Harness Business Excellent

Evidence of the return of horses on farms is afforded by reports from Chatham, Ont., that fall orders of the American Pad and Textile Co., of that city, this year amounted to 35 carloads as against 7 carloads for the same season last year, and is the biggest volume of business for this time of any year since 1923. The company manufactures harness-pads, heavy leather gloves and similar articles.

LUMBER VALUES HOLD IN WEST THO' STOCKS BIG

Poor Ratio of Unfilled Orders to Inventories a Weakness

New business in the west coast lumber industry took a generally downward trend in October wher unfilled orders on hand dropped 16.3 per cent, reflecting lower current sales, according to The British Columbia Lumberman. Production exceeded bookings by 1.17 per cent, but prices held well notwithstanding.

Shipments were greater than orders during the month by 7 per cent and this was responsible for a reduction in inventories of 1.13 per cent.

Average prices as reported to the Davis Statistical Bureau decreased $0.04 during the month, from the September average, due, the association believes, to the firm price position of a large number of the mills in the rail and domestic cargo trades. This small loss, in spite of the overproduction during the month, is held to demonstrate what the industry can do when a sufficient number of interested mills establish firm price policies.

Industry's Weakness

The most serious weakness in the industry's position is shown by the relationship of unfilled orders to inventories. Unfilled orders on October 31 were 14.35 per cent of inventories; on January 1, 1931, they stood at 22.87 per cent; two years ago, or on November 2, 1929, at 40.08 per cent. Two feet of inventory to one of unfilled orders was established in the summer of 1929 as a "healthy" ratio. The present ratio is seven to one.

The report of the special survey committee to the Timber Conservation Board, dated October 21, 1931, shows the total softwood lumber stocks of the country, at October 1, to be 8,386,000,000 board feet; hardwood stocks, 3,547,000,000 board feet; or a total for all lumber stocks of 11,933,000,000 feet.

The consumption of all lumber both hardwoods and softwoods—during 1931 is given by the survey committee as approximately 18,145,000,000 feet. The ratio of stocks to consumption (using the preceding twelve months' sales) is given at 60.2 per cent. The ratio of stocks to consumption on December 31, 1929 was stated by the committee to have been 37.9 per cent; on December 31, 1930, 50.8 per cent.

The following table shows a comparison of current and past production and weekly operating capacity, the latter being based on average hourly production for the 12 last months preceding mill check and the normal number of operating hours per week.

Production and Capacity
344 Identical Mills

	Feet
Actual production, week ending Nov. 14, 1931	74,972,383
45 weeks ending Nov. 14, 1931	115,975,800
During 1930	157,639,168
Last three years, average	194,625,497
Weekly operating capacity	297,195,962

Tillsonburg Tobacco Crop Now Fully Contracted For

Practically all the tobacco crops in the Tillsonburg, Ont., district, are reported to have been contracted for. Deliveries, however, are being taken rather slowly, so that it is locally expected that it will be March before all the tobacco is moved.

While prices received for tobacco were very poor in comparison with former years, it is indicated even so that, as a money crop, tobacco compares more than favorably with prices prevailing for any other farm product.

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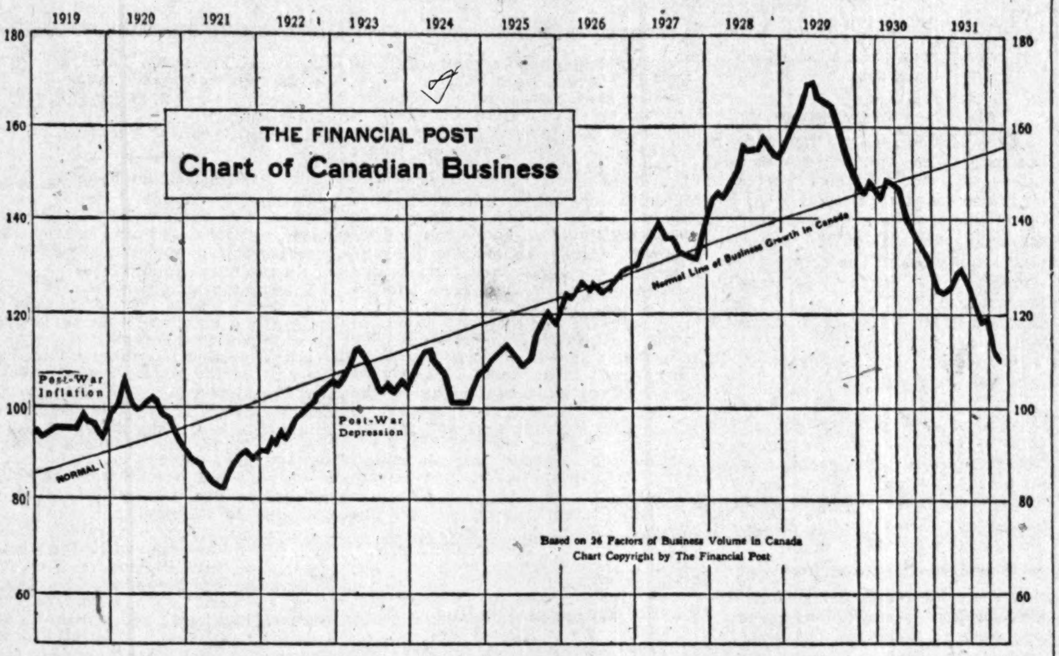


A new low point on the present movement in Canadian business operations was reached during November, continuing the declining trend which has been in evidence since May, 1929. A moderate improvement was shown during the early months of the year but subsequently the decline was renewed. The drop in the index from the maximum in 1929 to the low point in November was 57 points or 33 per cent. The level of the last year was similar to that of 1925 and therefore higher than in any of the major depressions through which Canada has passed. External financial troubles dominate the world economy and no permanent revival is expected until settlement is assured.

Posts Business Index Reverts to '25 Level

Physical Volume of Business in Canada Now 33 p.c. Below Peak of 1929

By SYDNEY B. SMITH

The Financial Post business index declined again in November reaching a new low point on the present movement. The compilation derived from 26 factors essential to Canadian progress was 115.1 in November compared with 117.5 in the preceding month. Ten only of the 26 factors used here showed gains in the month under review and most of these increases were without significance owing to the low level of operations in the preceding month.

Imports of raw cotton were 15,450,000 pounds compared with 7,600,000 in the preceding month, the gain after seasonal adjustment being about 25 per cent. Latest advices are that the trend of employment showed a gain in the primary textile industry. The output of pig iron showed a moderate gain, a blast furnace being blown in at Sault Ste. Marie during the month. The automobile industry added to their working forces although operations were at a low level during November. Imports of 93,140,000 gallons of crude petroleum showed after seasonal adjustment a gain of 6.5 per cent. Construction work was contracted for in greater volume, awards of $24,640,000 presenting a favorable comparison after seasonal adjustment with the total of $28,800,000 in October. Building permits of $7,993,000 in 61 cities also showed a gain after the elimination of the seasonal factor.

New Low Since '25

Adversely influenced by financial dislocation in most of the large countries especially in Europe and in the United States, the economic depression continued in Canada during 1931. During the first five months business operations were expanded moderately in some directions but the weakness in international finance becoming apparent about midyear, the depression was continued in the latter part resulting in a new low point since 1925. The business trend of 1931 resembled that of the preceding year as considerable resistance was shown in each case to the depression in the early months followed by marked decline in the last half of the year. In fact a strong similarity exists in the business movements of the last three years.

The peak of economic progress was reached in May, 1929, when the business index was about 172. Since that time operations have declined 57 points or 33 per cent. This drop is greater than at any other time during the period of observation. In this sense the present depression is the worst that we have experienced. From another viewpoint the present depression is not nearly so severe as the other major depressions through which the Dominion has passed.

Long-Term Growth

The actual level of operations is much in excess of 1907, 1914, or 1921. The present relatively high levels of commercial and industrial activity in Canada are due to the pronounced long-term growth since the first of the century. The marked expansion in Canadian production in the first two decades of the present century was continued in the third. The material growth during the last ten years has been a diversified character reflecting the immense wealth of our natural resources.

One feature of the expansion was the successive occurrence of four large grain crops culminating in 1928 with a wheat output of 567,000,000 bushels valued at $451,000,000. Conditions favored an intense development of the mineralized and forested areas leading to the discovery and development of a large number of valuable mining properties and to the rapid expansion of the capacity of the pulp and paper industry. The expansion in the power industry during the last ten years ranks high in the records of Canadian achievement.

Production during the first part of 1929 when the secondary post-war cycle of prosperity culminated, was at such a high level that the decline of the last thirty months despite its severity has only reduced the level of operations to correspond with 1925.

Comparison With 1921

An examination of indexes for November last compared with the lowest point in 1921 will clarify the situation. The composite index for manufacturing production was 117 in November compared with 80.0 in 1921. Mining was 115.3 compared with 64.8 and construction 158 compared with 57.8. Electric power was 244 compared with 70.8 and the volume of imports 92.2 compared with 73.0. Forestry was up to 141 compared with 58.3. The index of employment on November 1 was 103.0 compared with 85.1, the lowest point in 1921. Security prices were 71.9 compared with 54.3 in 1921 while wholesale prices were at the lower level of 70.6 compared with 96.4 in 1921. The index of carloadings in November showed slight change in this comparison.

As to probable trend during 1932, a hopeful feature is the firm tendency in wholesale prices. The official index showed slight gains in October and November forming a sharp contrast with the downward trend of the last two years. Unfortunately leading indices such as that of the New York Annalist have recently touched new low marks. There is nothing that would contribute more to the restoration of confidence and the resumption of business operations than the stabilization or rise in the price level.

British Policy Constructive

The change in the fiscal policy of Great Britain by which Empire products may be given a preference in the British market is a constructive factor for Canadian producers. Canada is dependent on external markets for many products which are normally produced in excess of domestic requirements and any measures taken to facilitate trade with the potential markets of Great Britain and the Empire would tend to revive Canadian trade and expand domestic production.

The relative strength of the Canadian banking system and the consequent sufficiency of credit obtainable at reasonable rates is a factor which should not be overlooked when appraising the chances of recovery in 1932. The difficulty of obtaining long-term funds owing to the lack of interest in bond offerings save for the highest grade of issues, is a reactionary factor which must be taken into consideration in a study of this kind.

Wheat and Europe

The partial failure of the Canadian wheat crop in 1931 will adversely affect conditions until the new crop is harvested but the large carryover and the firmness in the price in recent months tends to counterbalance the unfavorable outlook occasioned by the low yields of the last crop.

Internal conditions are dominated by developments in other principal countries. The debts of Germany both governmental and commercial are a source of danger which may possibly lead to an economic collapse of Europe. The settlement of such difficulties calls for international statesmanship of high order. Observing that financial disturbance in other countries was the main cause of the further decline of Canadian business in the last half of 1931, it is impossible to forecast the future trend when so many financial problems remain unsolved.

LESS GASOLINE USED IN 1930

Consumption in Canada at 480,000,000 Gallons; Down .7 p.c.

Average gasoline consumption per registered motor vehicle in Canada during 1930 was 387 gallons, according to figures compiled by the Dominion Bureau of Statistics. This figure does not make allowance for the gasoline purchased by U. S. tourists, however, which would reduce the average slightly.

Total consumption of gasoline by motor vehicles in Canada during the year amounted to 479,554,392 gallons, this being approximately 3,000,000 gallons less than in the previous year, or a decrease of .7 per cent. This decrease was due to the curtailed use of automobiles in the western provinces, especially Saskatchewan, where consumption per registered motor vehicle dropped 32 per cent, and in Alberta where the decrease was 24 per cent.

Ontario consumption, for motor vehicles alone, increased nearly 10,000,000 gallons, rising to 239,058,108 gallons, the average per registered vehicle being 423 gallons in the year. In Quebec, where the average per vehicle was highest, being 465 gallons, consumption was over 12,500,000 gallons greater than in 1929, totalling 83,231,268 gallons. The biggest per cent gain in total consumption, however, was made in New Brunswick, where the total of 13,982,400 gallons used by motor vehicles was 40 per cent above the previous year's figure.

BUILDING PERMITS CONTINUE LOWER

The aggregate value of the construction represented by the building permits issued by 61 cities during November was $7,992,815. This was a slight seasonal decline of $720,587, or 8.3 per cent as compared with the October total of $8,713,402, and a reduction of $3,828,477, or 32.4 per cent in comparison with November, 1930, and was lower than the average for any November in the last eleven years.

The aggregate for the first eleven months of this year was 31.4 per cent lower than in 1930, and was also lower than the eleven-year average of $147,127,689. In comparing values, however, it should be remembered that the decrease in building permits has been accentuated by a very decided decline in wholesale costs of building materials. The Dominion Bureau's index, based on 1926 as 100, has fallen from 153.4 per cent in the first 11 months of 1920 to 82.7 per cent in the same months of 1931, a decrease of 46.1 per cent from the 1920 level.

Halifax Foresees Busy Winter

Including the call of the Canadian Pacific Steamship freight and passenger boats at Halifax this winter, more than 230 sailings are scheduled from that port during the 1931-32 shipping season. A busy season is therefore anticipated along the Halifax waterfront.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest		Cumulative Jan. 1 to date	
	1931	1930	1931	1930
C. P. R. Gross Earn. (Dec. 14)	$ 2,787,000	$ 3.350,000	$ 139,644.000	$ 175,341,000
C. N. R. Gross Earn. (Dec. 14)	$ 3,036,441	$ 3,881,339	$ 171,062,995	$ 214,618,637
Car Loadings (Dec. 12)	45,377	50,275	2,496,626	3,064,409
Common Stock Index (Dec. 17)	60.0	108.8	....	....
Production—	Monthly			
Pig Iron, tons, (Oct.)	......	30,926	380,322	662,795
Steel, tons, (Oct.)	30,926	65,431	623,781	883,902
Newsprint, tons (Nov.)	175,643	201,703	2,033,121	2,319,391
Automobiles (Oct.)	1,440	4,541	78,935	143,163
Boots and Shoes, pr. (Oct.)	1,554,144	1,552,392	15,289,386	14,898,392
Flour, bbls. (October)	1,693,925	1,868,575	12,510,606	13,679,945
Mineral Production—				
Gold, oz. (September)	240,200	177,800	1,962,800	1,493,919
Silver, oz. (September)	1,239,000	2,644,000	16,104,000	19,902,695
Nickel, tons (September)	2,519	5,122	29,952	41,911
Copper, tons (September)	12,444	13,006	117,499	118,000
Lead, tons (September)	9,550	13,502	107,121	125,831
Zinc, tons (September)	8.217	12,893	95,073	97,665
Coal, tons (September)	1,005,000	1,230,000	8,393,000	10,554,234
Nat. gas, M. cu. ft. (Sept.)	1,558,000	1,660,000	19,288,000	20,384,913
Petroleum, bbls. (Sept.)	101,400	139,950	1,278,200	1,038,756
Automobile Financing—				
Used Cars (Oct.)	$ 1,329,944	$ 2,503,904	$ 18,895,546	$ 29,804,525
New Cars (Oct.)	$ 1,323,443	$ 1,288,553	$ 19,064,405	$ 27,180,805
Construction—				
Building Permits (Nov.)	$ 7,992,815	$ 11,791,478	$ 103,604,484	$ 150,909,230
Contracts (November)	$ 24,642,200	$ 39,310,500	$ 304,224,700	$ 432,457,300
Labor—				
Employment Index (Nov.)	103.0	112.9	....	....
Trade—				
Imports (November)	$ 46,911,012	$ 76,325,063	$ 587,843,781	$ 948,354,844
Exports (November)	$ 57,486,950	$ 73,060,871	$ 552,175,442	$ 819,086,698
Imports of Key Products—				
Rubber, raw, lbs. (Oct.)	3,509,309	4,349,182	48,328,197	56,708,519
Cotton, lbs. (October)	7,588,602	12,716,000	67,922,602	72,354,000
Sugar, raw, lbs. (Oct.)	69,737,600	67,778,600	681,364,500	707,347,200
Petroleum, crude, gal. (Nov.)	93,140,000	74,970,000	955,549,333	942,393,131
Coal, tons (Oct.)	1,446,690	1,930,465	11,030,239	14,789,898
Exports of Key Products—				
Newsprint, tons (Oct.)	171,030	200,775	1,675,255	1,932,366
Automobiles, No. (Oct.)	630	2,868	13,674	38,920
Wheat, bus. (Nov.)	27,452,063	31,217,624	172,508,738	185,580,670
Wheat flour, bbls. (Nov.)	476,487	792,271	5,245,914	9,328,660
Electric Power—Output—				
M. Kilowatt hours (Oct.)	1,425,408	1,515,403	13,533,019	14,745,861
Population—				
Emigration (October)	1,030	2,731	10,862	38,889
Immigration (October)	2,056	4,445	24,712	99,449
Finance—				
Failures, No. (Sept.)	165	192	1,581	1,725
Failures, Liabilities (Sept.)	$ 5,166,575	$ 2,081,447	$ 32,881,623	$ 36,648,414
Bank Debits (Oct.)	$2,586,858,050	$3,617,506,967	$26,106,512,871	$31,505,449,976
Bond Sales (Nov.)	$ 215,025,000	$ 65,149,654	$1,243,213,179	$ 717,081,753
Insurance Sales (Nov.)	$ 38,860,000	$ 46,868,000	$ 442,149,000	$ 518,182,000
Wholesale Prices (1926)=100—				
General Index (November)	70.6	79.8	......	......
Iron & its products (Oct.)	87.3	90.0	....	....
Cotton, raw	40.6	60.8	....	....
Grain	40.0	50.5	....	....

WHEAT AND FLOUR EXPORTS RUNNING 50 P.C. OF 1930

Proportion of Exports Going Via the U. S. Decreasing

Exports of Canadian wheat and flour, for the four months ended November had a total value of $50,171,783 as compared with a value of $99,424,186 for the same period last year, a decrease of something under 50 per cent.

Wheat exports, while dropping 32 per cent in volume to 33,836,379 bushels) had a value of only 50 per cent at $42,974,627; while flour, which was exported in volume 29 per cent lower (2,113,689 barrels), showed a decrease in value of 47.3 per cent, amounting to $7,197,156.

Exports to the United States showed the greatest reduction this year by comparison with the same four months period of 1930, the volume dropping 44.8 per cent (and the value, 57.4 per cent); while volume to the United Kingdom decreased 38.6 per cent, and to other countries 11 per cent.

Wheat Via U. S. Lower

Shipments of wheat via the United States showed some reduction this year, 44.6 per cent of all wheat going to the United Kingdom and other countries by the route as against a proportion for last year of 51.5 per cent.

Offsetting to some extent the decreases in exports of wheat and flour were substantial increases in shipments of barley, oats and rye. In the four months ended November 30, 5,395,615 bushels of barley were exported this year as against 1,801,350 last year, the value being up from $565,817 to $2,338,053. The volume of oats was 3,894,787 against 1,105,832 bushels, the value comparing $1,390,082 to $410,649. Similarly, rye exports showed an increase from 485,741 bushels valued at $230,805, to 1,442,681 bushels with a value of $645,501.

GEORGE A. FULLER
COMPANY of CANADA
LIMITED

BUILDING
CONSTRUCTION

DIRECTORS

R. G. Babbage	H. T. Hunter
W. A. Black	N. L. C. Mather
L. R. Crandall	Wilmot L. Matthews
Geo. T. Pepall	J. F. McPherson
J. J. Gibson	J. L. E. Price
D. I. McLeod	Hon. J. M. Wilson

TORONTO
MONTREAL

SERVICE · EXPERIENCE · ORGANIZATION

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE - TORONTO

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING 30th NOVEMBER, 1931

Balance of Profit and Loss Account, brought forward from last year	$ 516,351.21
Profits for the year ending 30th November, full provision having been made for all bad and doubtful debts	4,774,923.44
	$5,291,274.65

These have been appropriated as follows:	
Dividends Nos. 176, 177, 178, 179, at twelve per cent. per annum	$3,600,000.00
Dominion and Provincial Government taxes and tax on bank-note circulation	600,000.00
Donations and Subscriptions	50,000.00
Transferred to Pension Fund	255,591.53
Written off Bank Premises	250,000.00
Balance carried forward	535,683.12
	$5,291,274.65

GENERAL STATEMENT
30th NOVEMBER, 1931.
LIABILITIES

TO THE PUBLIC:		
Notes of the Bank in circulation		$ 26,352,721.08
Deposits not bearing interest	$122,177,657.76	
Deposits bearing interest, including interest accrued to date	376,910,287.48	
		499,087,945.24
Balances due to other Banks in Canada		1,188,766.65
Balances due to Banks and Banking Correspondents in the United States, the United Kingdom and Foreign Countries		25,273,935.02
Advances under the Finance Act		15,000,000.00
Bills Payable		64,618.31
Letters of Credit outstanding		12,374,264.50
		$579,342,250.80
TO THE SHAREHOLDERS:		
Dividends Unpaid		7,486.36
Dividend No. 179, payable 1st December	$ 900,000.00	
Capital Paid up	30,000,000.00	
Reserve Fund	30,000,000.00	
Balance of Profits as per Profit and Loss Account	535,683.12	
		61,435,683.12
		$640,785,420.28

ASSETS

Gold and Silver Coin Current on hand	$19,835,044.36		
Gold deposited in Central Gold Reserves	8,000,000.00		
		$27,835,044.36	
Dominion Notes on hand		39,470,288.50	
			$67,305,332.86
Notes of other Banks		$ 1,991,150.00	
United States and other Foreign Currencies		1,111,990.67	
Cheques on other Banks		19,723,937.01	
Balances due by other Banks in Canada		39,121.33	
Balances due by Banks and Banking Correspondents elsewhere than in Canada		22,274,896.52	
			45,141,095.53
Dominion and Provincial Government Securities, not exceeding market value			99,031,313.85
Canadian Municipal Securities and British, Foreign and Colonial Public Securities, not exceeding market value			20,008,153.18
Railway and other Bonds, Debentures and Stocks, not exceeding market value			11,348,699.85
Call and Short Loans (not exceeding 30 days) in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover			40,682,167.91
Call and Short Loans (not exceeding 30 days) elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover			44,385,183.93
Deposit with the Minister of Finance for the purposes of the Circulation Fund			1,250,000.00
			$329,151,947.11
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts			252,720,150.55
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts			20,244,792.89
Liabilities of Customers under Letters of Credit, as per contra			12,374,264.50
Non-current Loans (estimated loss provided for)			2,337,675.83
Real Estate other than Bank Premises			2,263,698.82
Mortgages on Real Estate sold by the Bank			2,084,356.84
Bank Premises at not more than cost, less amounts written off			15,325,188.64
Shares of and loans to controlled companies			3,935,392.00
Other Assets not included in the foregoing			347,953.10
			$640,785,420.28

JOHN AIRD, President
S. H. LOGAN, General Manager

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the above statement of assets and liabilities as at November 30th, 1931, and compared it with the books at the Head Office and with the certified returns from the branches. We have checked the cash and verified the securities and investments of the Bank at the chief office in Toronto and at several of the principal branches as at the close of business on November 30th, 1931.

We have obtained all the information and explanations that we required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank, and we certify that, in our opinion, the above statement discloses the true condition of the Bank, and is as shown by the books of the Bank.

A. B. SHEPHERD, C.A., of Peat, Marwick, Mitchell & Co.
D. McK. McCLELLAND, F.C.A., of Price, Waterhouse & Co.
Auditors

Toronto, 18th December, 1931.

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

DIVIDEND NOTICE

A dividend of three dollars per share, for the current quarter, together with a bonus of one dollar per share of the paid-up Capital Stock of this Bank, have been declared and the same will be payable on and after Saturday, the second day of January next, to shareholders of record Tuesday, the fifteenth day of December at three o'clock p.m.

By order of the Board.

T. TAGGART SMYTH,
General Manager.

Montreal, November 24th, 1931.

"CANADA DRY"

Ginger Ale, Incorporated
A Delaware Corporation

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, held December 17, 1931, a quarterly dividend of thirty cents ($.30) per share was declared, payable January 15, 1932, to stockholders of record at the close of business January 2, 1932.

R. W. SNOW, *Secretary.*

THRIFT

STORES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following dividends have been declared by Thrift Stores, Limited:

One and five-eighths per cent (1⅝%) on the 6½% FIRST CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES, and

One and three quarters per cent (1¾%) on the SECOND CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES.

Both dividends are for the quarter ending December 30th, 1931, payable January 2nd, 1932, to shareholders of record December 21st, 1931.

By order of the Board of Directors,
M. RUDOLPH, President.

Montreal, December 16th, 1931.

CANADIAN GENERAL INVESTMENTS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of Fifteen Cents (15c) per share on the paid-up capital stock of the Company has been declared for the quarter ending December 31, 1931, payable January 2, 1932, to Shareholders of record December 15, 1931.

Holders of Share Warrants will present Coupon No. 14, at the Main Office of the Bank of Montreal in Vancouver, Winnipeg, Montreal, Halifax, or at the King and Yonge Branch, Toronto, where payment will be made at par.

BY ORDER OF THE BOARD,

E. M. STRAIN,
Secretary.

DISTRIBUTION No. 2

First ALL-CANADIAN TRUSTEE SHARES

ORDINARY

upon No. 2 attached to certifi- s for the above shares will be id at par in the amount of Thirty Cents (30c) per share, on and after December 31st, 1931, on presentation at the Offices of Capital Trust Corporation, Limited, Trustee, in Montreal, Toronto and Ottawa. This Distribution includes all dividends paid on the stocks underlying First All-Canadian Trustee Shares during the six months beginning June 21, 1931, all dividends declared on the underlying stocks for the period ending December 31st, and awaiting payment not being included.

MONTREAL DEPOSITOR CORPORATION,
Depositor.

62nd Quarterly Dividend

Notice is hereby given that a dividend of Thirty-eight Cents per share (being at the rate of One Dollar and Fifty Cents per annum) on the NEW no-par value Common Shares of the Company presently issued and paid-up for Quarter ending December 31st, 1931, has this day been declared to shareholders of record, December 31st, 1931, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders January 31st, 1932.

By Order of the Board,

G. R. WHATLEY,
Secretary.

Montreal, December 21st, 1931.

Montreal Light Heat & Power
CONSOLIDATED

Owned by 60,000 shareholders. Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada

DIVIDEND NOTICES

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1931, making a total distribution of twelve per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 2nd day of January, 1932, to Shareholders of record of 19th December, 1931.

By Order of the Board,

C. A. BOGERT,
General Manager.

Toronto, 26th November, 1931.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-Five Cents ($1.25) per share has been declared on the Common Stock of DOMINION TEXTILE COMPANY Limited for the quarter ending December 31st, 1931, payable January 2nd 1932, to shareholders of record December 15th, 1931.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, November 25th, 1931.

The Real Estate Loan Company of Canada, Limited

Notice is hereby given that a Dividend at the rate of three and one-half per cent for the half year ending 31st inst. has been declared upon the Capital Stock of the Company and that the same will be payable at the Offices of the Company on and after the 2nd January, 1932, to Shareholders of Record of 18th December, 1931.

By order of the Board.

E. L. MORTON,
Managing Director.

GENERAL TRUST OF CANADA

Dividend No. 11

A dividend of 1½%, being at the rate of 6% per annum, for the quarter ending December 31st, 1931, on the preference stock of the Company, has been declared, payable January 2nd, 1932, to shareholders of record on December 26th, 1931.

RENE MORIN,
General Manager.

Montreal, December 11, 1931.

The Consolidated Mining & Smelting Company of Canada Limited

DIVIDEND No. 55

Notice is hereby given that a Dividend of Five Per Cent (5%) on the paid-up Capital Stock of the Company for the six months ending December 31st, 1931, and a stock dividend of one (1) share for every twenty (20) shares of the Capital Stock of the Company outstanding, have this day been declared payable on the 15th day of January, 1932, to Shareholders of record at the close of business on the 23rd day of December, 1931.

By order of the Board.

J. E. RILEY,
Secretary.

Montreal, December 10th, 1931.

Canadian Bronze Company Limited

Dividend Notice

THE quarterly Dividend of 1¾%, on the PREFERRED STOCK of the CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of February, 1932, to Stockholders of record as of the 20th day of January, 1932.

Also a quarterly Dividend of Thirty-one and one-quarter (31¼c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending January 31st, 1932. Payable the 1st day of February, 1932, to Stockholders of record as of the 20th day of January, 1932.

By Order of the Board

W. S. CAIE,
Secretary

Montreal, P.Q.,
December 18th, 1931.

Imperial Bank of Canada

DIVIDEND No. 166

Notice is hereby given that a Dividend of three per cent. (3%), being at the rate of twelve per cent. (12%) per annum, upon the paid up Capital Stock of this Bank, has been declared for the quarter ending January 30th, 1932, payable at the Head Office and Branches on and after Monday, the First day of February next, to shareholders of record of December 31st, 1931.

By order of the Board.

A. E. PHIPPS,
General Manager.

Toronto, December 16th, 1931.

Union Trust Company

LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of 1¾% for the three months ending December 31st, 1931, has been declared upon the Capital Stock of this Company, payable January 2nd, 1932.

By order of the Board.

C. D. HENDERSON,
General Manager.

Toronto, December 18th, 1931.

The Toronto Mortgage Co.

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent., being at the rate of Twelve per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st January, 1932,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
Walter Gillespie,
Manager.

CHARTERED TRUST AND EXECUTOR COMPANY

DIVIDEND NOTICE

Notice is hereby given that the regular quarterly dividend of 1½% has been declared payable on the Second day of January, 1932, to shareholders of record at the close of business December 24th, 1931.

By Order of the Board,

E. W. McNEILL,
Secretary.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable January 2nd, 1932, to Shareholders of record as at close of business December 15th, 1931.

W. S. BARBER,
Secretary-Treasurer.

QUEBEC POWER COMPANY

Notice is hereby given that a dividend of Fifty cents (.50c) per share has been declared on the no par value common shares of the Company for the quarter ending December 31st, 1931, payable January 15th, 1932, to shareholders of record December 23rd, 1931.

By Order of the Board,

JAMES WILSON
Secretary.

Montreal, Dec. 18, 1931.

Supersilk Hosiery Mills Limited

Notice of Dividend

A semi-annual dividend at the rate of seven per cent (7%) per annum on the Preferred Stock of this Company for the six months period ending December 31st, 1931, has been declared, payable on January 2nd, 1932, to shareholders on record at the close of business on December 24th, 1931.

By order of the Board,

J. G. THOMPSON,
Secretary.

London, Ontario, December 17th, 1931.

Eastern Steel Products LIMITED

DIVIDEND NOTICE

The Directors of the Company have declared a dividend of fifty cents (50c) a share on all its outstanding common shares, payable January 1st, 1932, to shareholders of record at the close of business on December 18th, 1931.

By order of the Board,

H. M. MILLAR,
Assistant Secretary.

Toronto, December 17th, 1931.

MacKinnon Steel Corporation LIMITED

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) for the quarter ending January 31, 1932, has been declared on the 7% CUMULATIVE CONVERTIBLE FIRST PREFERRED STOCK of the Company, payable February 1, 1932, to Shareholders of record January 15, 1932.

By order of the Board.

J. M. S. MACDONALD,
Secretary.

Montreal, December 15, 1931.

Canadian Car & Foundry Company, Limited

Dividend Notice—Ordinary Stock

Notice is hereby given that a dividend of Twenty-five cents (25c) per share on the paid up Ordinary Stock of the Company for the quarter ending February 15th, 1932, has been declared, payable on the 29th day of February, 1932, to Shareholders of record on the 15th day of February, 1932.

By order of the Board,

A. C. BOURNE,
Secretary.

Montreal, December 17th, 1931.

GEORGE WESTON, LIMITED

Common Dividend Number 8

NOTICE IS HEREBY GIVEN that a quarterly dividend (No. 8) of Twenty-five cents per share on the no par value Common Capital Stock of this Company (being at the yearly rate of One Dollar per share) has been declared for the quarter ending 31st December, 1931. This dividend is payable on and after January 2nd, 1932, to Common Shareholders of record at the close of business on the 19th day of December, 1931.

CHARLES W. KERR,
Secretary.

Toronto, 15th December, 1931.

Dividend Notice

Notice is hereby given that the regular half-yearly dividend of 3%, being at the rate of 6% per annum, has been declared, payable on December 31st, 1931, to shareholders of record December 21st, 1931. Transfer books of the company will be closed from December 21st to December 31st, both days inclusive.

By Order of the Board.

J. R. LOVATT,
Secretary.

THE STERLING TRUSTS CORPORATION

Sterling Tower TORONTO
Branch:—REGINA

QUEBEC CONSIDERS DOUBLING PRESENT CORPORATION TAX

May Boost Impost to One-Fifth of One Per Cent

From Our Own Correspondent

MONTREAL.—An increase in the corporation tax or a tax on real estate transactions are reported to be under discussion by the Quebec Government with a view to finding an additional $1,000,000 for provincial revenue in the coming year. Among other taxes it is possible that there will be some small changes in the existing amusement tax.

At present the corporation tax in Quebec is at the rate of one-tenth of one per cent. Reports state that the question of raising this to one-fifth of one per cent has been under consideration, while an alternative of a 1 per cent tax on all real estate sales has been talked of. As yet no definite announcement has been made.

Withdrew Proposed Beer Tax

It will be remembered that the Government recently withdrew a proposal to increase the existing impost on beer. A considerable outcry greeted the report that prices of beer and ale might be boosted and Premier Taschereau finally announced that the situation would remain unchanged from last year. Revenues of the province are expected to benefit from a recent increase of 1 cent in the gasoline tax which brings the existing tax up to 6 cents a gallon.

Though additional taxation is under consideration, the government is not unaware of the need for economy at the present time. That curtailed expenditures are the order of the day was illustrated recently in Mr Taschereau's refusal to grant certain borrowing powers to the City of Montreal unless the question was referred to a referendum of the city taxpayers.

Dredge & Dock Drops Dividend To $2 for 1932

Canadian Dredge & Dock Co., by failing to declare the common stock dividend which otherwise would have been payable on February 1, 1932, has kept its dividend for the current year down to $2.25 as compared with $3 in the preceding year. It is intimated by the executive committee that at the close of the present fiscal year on January 31, 1932, they will recommend to directors that the common stock rate thereafter will be $2 per share a year, payable semi-annually instead of quarterly as at present.

Action taken results from the halting of marine construction by governments and public and private corporations who were forced to economize, from the necessity of the company continuing certain work at its own cost until Parliament could meet and provide funds for payment, and because the arm of a dredge on the St. Lawrence was broken with the result that remunerative work was halted for six weeks.

Market price of the shares declined for a week in a way which foretold the drop in dividend payments. The company reports that it has under contract a large volume of work for next year, regardless of what further work may be undertaken by the Government or other corporations.

AUTO PARTS, 1930, WORTH $18,400,000

Canada's Production However Was 42 p.c. Below 1930 Record

Production in Canada during 1930 by the firms making automobile parts and accessories as their principal products amounted in value to $18,401,587. This output was 42 per cent under the record of $31,965,078 established in the previous year but compares favorably with the corresponding totals of $17,007,157 in 1928, $14,862,616 in 1927 and $13,914,965 in 1926.

Many Plants Here

There were 57 plants classified under this industry in 1930, 40 of which were located in Ontario, 9 in British Columbia, 4 in Manitoba, 2 in Quebec, and 1 in each of Saskatchewan and Alberta. These concerns reported fixed and working capital at $16,654,683 and employed a monthly average of 3,580 workers who received $4,527,179 in salaries and wages. Purchased materials cost $10,682,111 and the value added to these materials by manufacturing processes was $7,719,476.

Customs records for 1930 show that 34,629 automobile engines worth $5,353,329, and other parts appraised at $16,077,362 were imported into Canada during the year. Exports of automobile parts amounted to $1,587,571 and re-exports of imported parts were valued at $794,943.

NOTICES

THE DOMINION BANK

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, 27th January, 1932, at twelve o'clock noon.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 17th December, 1931.

The Bank of Nova Scotia

Notice is hereby given that the Annual General Meeting of the Shareholders of this Bank will be held in the Banking House, Hollis & Prince Streets, Halifax, on Wednesday, the 27th January next, at eleven o'clock, a.m., for the purpose of receiving a statement of the affairs of the Bank, for the election of Directors and for other business.

By order of the Board.

J. A. McLEOD,
General Manager.

Halifax, N.S.,
December 15th, 1931.

Readers Back Fight For Cut in Expenses

Cost Reduction Long Overdue

Editor, The Financial Post,—

I am very pleased to see you are taking up the matter of costs of Canadian government and especially Ontario. It is long overdue. There seems to be no thought of the people having to pay back this money with interest, especially with such debt on already. Why should not all government officials and employees and all railroad people be quite willing to drop ten per cent, when farmers and workmen have dropped from twenty-five to seventy-five per cent in what they get for their work. Again, in both civil service and railways, they are over manned, two and sometimes three men when one could easily do the work. I know something of the forestry department, and it is a shame the way men put in time and get full pay, but the men seem to think it's the government and they do things they would not attempt in a private company.

I have been giving my copy of The Financial Post away to friends.

ALLAN McPHERSON.

Orillia,
Dec. 17, 1931.

Campaign Will Help

Editor, The Financial Post,—

Your campaign to awaken the public in Canada to the very grave danger of inefficiency and over-expenditure in Dominion, Provincial and Municipal affairs is bound to do a great deal of good. Please lead the way out of the morass before our people are completely ruined.

JOHN WEBSTER.

Fredericton, N.B.
Dec. 10, 1931.

Opposes Turnover Tax

Editor, The Financial Post,—

We know that the government requires more money, and our idea is that the present sales tax should be increased. The machinery for its application already exists. In addition, commercial staffs are accustomed to the present sales tax principle. Any change to a turnover tax, particularly at this time, would involve grave disruption of business and serious loss. Then again, we very seriously question if the turnover tax is sound in principle, no matter how well it may "listen" in theory.

BUSINESS MAN.

Saint John, N.B.
Dec. 17, 1931.

Editor, The Financial Post,—

Congratulations upon the "Who Gets the Money?" series which you have started in today's The Financial Post.

This is something that greatly needs to be done for every political unit on the face of the earth. With the practical certainty that the world must reconcile itself to something like pre-war price levels, deflation of government must follow deflation of prices. The taxpayers aren't going to submit to increased rates indefinitely.

I hope that your articles will lead to the preparation of similar ones elsewhere.

READER.

New York,
December 21, 1931.

Lets Councillors See Articles

Editor, The Financial Post,—

I enclose $1 for which please send me ten copies of issue of Dec. 12th.

I wish to give these to the members of our incoming council as I think your articles in Nation's Business and Mr. Chalmer's "High Tax is Now Delay Return of Prosperity" are just what the average man should see.

J. D. MATTHEW.

Gananoque,
Dec. 12, 1931.

"Hits Nail on Head"

Editor, The Financial Post,—

While I am not a subscriber to your paper, nevertheless I am a regular and very interested reader, purchasing it at a news stand each week.

Your issue of December 12th is particularly most appropriate and I am availing myself of your invitation to write you what I think.

In this particular issue you have hit the nail on the head. It would seem that the different governmental powers that are wracking their heads to find out in how many different ways they can figure out to "bleed capital white." Some day the piper will have to be paid and unfortunately it will not be the one who calls the dance who will do the paying.

A real physician or surgeon, when he bumps into a case calling for treatment, does not attempt to cure by eliminating the symptoms. He tries if at all possible to eliminate the disease. This being accomplished, the symptoms will as a natural course disappear. The real name of the disease from which we in Canada are suffering appears to be without a name, but there are plenty of symptoms. There have been many and varied guesses—(yes, they are apparently only guesses)—by many different people supposedly qualified to make them. The diagnosis have been as varied as the guesses and today after it all, we are deeper in the mud than ever.

Why does our nationally-owned railway have to be made the sink hole for the tax-payers' good money. If they made even a dollar a year clear it would be better than an even break. They do not. It is in the red all the time and it is a poor bet that it will be anywhere else. $115,000,000 is a terrific portion of a $150,000,000 loan, which fortunately—or was it unfortunately?—oversubscribed. Possibly it would have been better had it not been subscribed at all. Such a condition might have brought things to a head and shown the way the wind blows.

I was very much taken with an article on the front page of the Montreal Gazette re the St. Lawrence River development. I do not know what may be your views in this matter, but it most certainly reiterated my own sentiments. At this time, I cannot see that we need either the power or the canal.

Why has Moody's rating of Canadian governmental securities been set back? There can be but one answer—lack of confidence to pay back. Most certainly if borrowing and taxation continue as they have gone on in the immediate past, there will be good reason for lack of confidence.

It is very difficult to understand why our governmental leaders apparently cannot see that they are off the trail and it is not very difficult to forecast where the country is headed for at the present way of doing things.

More "cutting of coats according to the cloth from which they are to be cut" is more imperative and the sooner the quicker.

A. G. RIDDELL.

Hamilton,
Dec. 14, 1931.

New Books

"The International Gold Problem"

The Royal Institute of International Affairs recently conducted a series of discussions in London on the International gold problem. Many of the outstanding economists of Great Britain prepared papers for presentation to the different meetings of this group and those who took part in the discussion that followed the presentation of each were men of the highest standing as economists. The papers under discussion have now been collected in a simple volume under the title of "The International Gold Problem" and they comprise a series of authoritative data that are essential to an understanding of the baffling problem of what the world is going to do about the gold standard and about the price level.

Among those who have contributed to this volume are Sir Josiah Stamp, Professor T. E. Gregory, Sir Otto Niemeyer, Sir Arthur Salter, Sir Henry Strakosch, Hartley Withers, John Maynard Keynes, and J. Kitchin. These names alone are sufficient to stamp the work as one of considerable authority.

The first meeting of the group was held on December 5, 1929, and was addressed by Sir Josiah Stamp. It is an interesting commentary upon the degree to which public opinion lags behind truly expert opinion that the views set forth by Sir Josiah Stamp at the first meeting are only now coming into general circulation and gaining popular recognition.

It is not possible to summarize even the chief views presented in this volume as every phase of the gold and of the price problems has been thoroughly analyzed. It may be pointed out that comprehensive study has been given to the gold standard, the gold exchange standard, the use of gold coins — which seems by all of the leading economists to be considered a thoroughly outmoded idea —the more economical use of gold, the re-distribution of the present supply, the amounts of gold available and likely to be available, the relation of gold to prices, and the possible ways of obtaining stability in the price levels.

It is generally recognized that the nutshell of the present depression is a gold nutshell and that in monetary factors will be found the causes of the present depression and in monetary action will be found the way out. This being so, it is essential that the gold problem and the money problem be thoroughly understood and this volume contributes much of value in such an understanding.

There is not by any means complete agreement among the economists on many fundamental points. For example, while it is generally conceded that stability of prices is desirable, there is difference of opinion as to how such stability can be obtained and whether such stability should be based upon the objective of a slightly falling price level, a slightly rising price level, or a price level that is, as near as it can economically be maintained, quite free from fluctuations.

It is suggested that someone might purchase a copy of this book and send it to the Prime Minister of Canada. It would certainly provide him with plenty of evidence that Canada is not on the gold standard.

"The International Gold Problem" is published by the Oxford University Press, Toronto, at $4.

"Money and the World Crisis"

The Ontario Department of Mines has published a catechism of money written by H. S. Denny, under the title of "Money and the World Crisis." The volume contains some 41 questions on the gold standard, the world's monetary system, the establishment of exchange rates and the use of silver in the monetary systems of different countries. The purpose of the volume is to explain, for the benefit of the man on the streets, the many bewildering complexities of money and its relation to the chief metals.

In answering these questions, Mr. Denny has done an excellent job. His volume is particularly valuable for having put on record a great deal of extremely useful information regarding stocks of gold, supplies of gold, etc., and for defining accurately many of the most frequently used terms.

There will be considerable disagreement with the author in his very apparent predilection for silver and bi-metallism. While Mr. Denny has apparently attempted to steer an independent course between the advocates of the single standard and those who would add silver to our present standard, there can be little doubt of his own leanings in the matter.

There is a forward by the Hon. Charles McCrea, Minister of Mines. The Department takes no responsibility for the figures, statements, or sentiments expressed by Mr. Denny, and this is a proper reservation as the Department of Mines can hardly with propriety involve itself in the debate on bi-metallism.

"Newspaper Reference Book"

A new reference book of Canadian Newspaper Service has just been published. This volume gives valuable biographical information on Canadian business, professional, education, and public men and women. This makes it of particular value for newspapers, libraries, and for the use of individuals. Additional features of this volume are lists of officers and members of various important associations.

This reference book is published by Canadian Newspaper Service, Montreal.

"Canadian Annual Review"

The Canadian Annual Review has become indispensable, not only in Canadian libraries, but for the use of editors, parliamentarians, and writers on Canada. The new edition covering 1930-1931 picks up the thread of the narrative where it was dropped in the 1929-1930 issue. It has been an interesting year in Canada, as one may judge from reading the 800 pages of well documented and well indexed material in the Annual Review. It has been a critical year. Many of our cherished notions have been put to rout by the hard and fast rules of economics or by the vagaries of human nature. Among the interesting features of this volume, are the action taken by the new government, following the Dominion general election of 1930, to aid unemployed and farmers; the proceedings of the Imperial Conference of 1930; the legislation of the Federal Session of 1931; the investigations into Beauharnois and into the finances of the Canadian National Railways; the development of the wheat pool problems; the important occurrences in the financial field.

The review, as with the previous 29 volumes, covers important developments in a political way in the Dominion and all of the provinces, covers Canada's international relations, commercial and financial matters, transportation, communications, labor, industries, commerce, finance and insurance. Social developments and the work of various organizations come in for comprehensive treatment and there is the usual obituary record.

Under the editorship of a group of devoted experts the volume continues in the traditionally excellent manner established by the late J. Castell Hopkins.

The Canadian Annual Review is published by the Canadian Review Company, Toronto, and sells at $8.00.

The Gifts You Get

SOON you will be busy writing letters and paying visits, trying to thank everyone who has sent you a present, careful not to forget anyone.

But because they weren't addressed to you personally and sent by mail or express, perhaps you have forgotten to acknowledge some of the priceless gifts you have received.

Think for a minute of the welfare organizations that have been giving you their time, their training and ability, devoting their every effort to make you, your family and your neighbors safer and happier.

The Red Cross, The Victorian Order of Nurses and other great organizations fed the hungry and nursed the sick while you remained comfortably at home —their gift to you of hours of leisure.

Volunteer members of national and local associations found children who were suffering from tuberculosis, sent them to camps and sanatoria to recover—giving your children extra protection from exposure.

Boy Scout and Girl Guide leaders gave up their holidays to teach clean living by word and example—a gift of better companionship for your children.

Big Brothers and Big Sisters sat in stuffy court rooms to rescue waifs and strays who did not have home background to guide them—a gift of future good citizenship to your community.

You will probably never meet nor be able to thank, the doctors and scientists who have waged campaigns to make it increasingly unlikely that you and yours should ever contract smallpox, diphtheria, typhoid fever or other communicable disease. In their laboratories they are searching for means to prevent premature death from cancer or heart disease. Magnificent gifts to you of health —perhaps life itself.

But you do know some of the great volunteer organizations which work for you continuously and ask your good will and support. At this season will you not say "thank you" by using Christmas Seals and by remembering other welfare organizations in their appeals?

METROPOLITAN LIFE INSURANCE COMPANY
FREDERICK H. ECKER, President
CANADIAN HEAD OFFICE • • OTTAWA, CANADA

In the Mail

The Newsprint Merger

Editor, The Financial Post,

I am quite at a loss to understand your editorial attitude in respect of the proposed newsprint merger. Not once but several times you have insisted upon "the necessity of the goodwill of the customer" and, so insisting, you have even questioned the wisdom of the merger, lest that goodwill be lost.

Just exactly what does your attitude mean? Are you willing that we in Canada should continue to deplete and denude our forests and sell the finished product, in the form of newsprint, at a price that in some cases under present conditions does not even meet fixed charges—all in order to retain "the goodwill of the customers."

Are you willing to see our great paper-making industries forced into bankruptcy or near-bankruptcy and their shareholders impoverished and in some cases ruined—again merely to "retain the goodwill of the customer."

Must the "goodwill of the customer" be put before the rights and the needs of the individuals whose money has established these newsprint companies and who, however much they may value goodwill, believe that they as owners should be given some consideration?

Admittedly, the whole newsprint industry in Canada has been overbuilt as well as shamefully manhandled and mishandled by greedy promoters; but now that this is clearly revealed must the owners of the properties not be permitted to salvage something from the wreck by means of consolidations whose purpose is not to advance prices but to effect economies and cut costs? Why, pray tell me, should such a policy prejudice or alienate the "goodwill of the customer" about whom you seem to be so peculiarly concerned?

And is not consolidation the order of the day everywhere? Has it, indeed, not been sought after four years, to the end that greater efficiency may be attained at a minimum of cost? You have but to look at the giant United States Steel Corporation, formed a full 30 years or more ago, to appreciate this fact; but to look at the very present proposed merger (and with Government approval) of some two dozen or more American railways into four great groups in the East, to have this fact even more forcibly impressed upon you.

The formation of the Steel Trust, as is now clearly recognized, benefitted customer and corporation alike, though at the time of its formation there was much the same cry as now you raise that "the goodwill of the customer" would be alienated. Similarly the hearty support of the United States Government itself is not only back of the proposed four-group railway merger but the Government is actually urging other railway corporations to follow suit nor seems concerned as to whether "goodwill"—either Canadian or American—will suffer!

And yet we in Canada, if I read your editorials right, must walk warily in respect of a proposed merger of newsprint companies whose object is not to advance prices but to save the industry from ruin! Surely you cannot mean this.

In conclusion may I remind you that this talk of Canadian "dependence" on American customers is not quite what it seems on the surface. When the Great War was on and water transportation was so tied up that not a pound of pulpwood or newsprint could come from abroad the American newspapers were absolutely dependent for the greater part of their newsprint supplies upon the Canadian mills—who did not fail them. For that matter they still are largely dependent upon that supply. Does it not occur to you, then, that there may be two sides to this "goodwill" argument and that if there is "dependency" on one side there is "dependency" also on the other and that Canada is not in quite so helpless a position as your editorials, unless I have altogether misunderstood their spirit and intent, would seem to suggest.

W. R. GIVENS.

Kingston, Ont.
Dec. 21, 1931.

Black & Armstrong
Real Estate, Valuations, Rentals
Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

The Western Savings and Loan Association
First Mortgage Loans
Agencies throughout
Manitoba, Saskatchewan and Alberta
Head Office:
Winnipeg, Man.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Investment Certificates Selling Well in Canada

Savings Plan Takes Hold in Dominion—Full Government Inspection Advisable—Contract Profitable to Saver When Payments Continued to Maturity

The sale of installment investment certificates in Canada, judging by questions coming from subscribers of The Financial Post living in all parts of Canada, is being more successful than at any time in the past. Growing interest in the virtues of straight saving, in a time of business depression when security values are low, has prepared the ground for considerable interest in plans whereby a definite lump sum is made payable at the end of 10, 15 or 20 years if in the meantime the purchaser of an installment investment certificate has kept up regular, stated payments.

Most inquiries received by The Financial Post relate to the investment certificates offered by The Investors' Syndicate of Minneapolis, the Champion-Simmons Investment Corp. of Regina and the Western Savings and Loan Association of Winnipeg. There are certain differences in duration of contract, cash surrender values, interest rate and amounts payable at maturity between the certificates offered by these and other companies, but there is enough similarity as to object and method to enable one to place the main facts bearing on the sale and purchase of these agreements so that those considering the purchase will be better fitted to come to a conclusion as to whether or not these certificates will meet their needs.

All of the companies are subject to certain Governmental supervision in the provinces where they operate. The Financial Post is not at the moment in a position to say just how adequate these measures are, but this article will give the view of a United States authority as to how complete such supervision should be to protect the purchaser of installment investment certificates.

The Financial Post's view, often expressed, is that the main object of a purchaser of certificates of this character is, or should be, to accumulate a saving funds over the period of the contract without stopping at any time the regular payments and without withdrawing any of the money put in. There is a privilege of withdrawal of part of the funds after from 12 to 18 months from purchase of the certificate, but the fact remains that the contract embodied in this certificate can only be profitable to the saver of money if the contract runs for all or a great part of the period contracted for.

First Costs Are Largest

As in the case of insurance companies, the company is obliged to meet the cost of solicitation and other costs of acquiring new business. Therefore the surrender value of the certificates is necessarily quite low in the first few years, and the contract has to run half its course before the withdrawal value would be equal to the principal money put in. It is obvious that there can be no surrender value until the payments for deposits equal the initial cost and expenses of getting the business.

The principal underlying these low surrender values is well expressed in an address by Hon. Frank W. McAllister, former attorney-general of Missouri, at a meeting of the National Association of Securities Commissioners at Oklahoma City, Oklahoma, on September 25, 1931, when he made an analysis of the business of selling installment investment certificates.

Must Hold to Maturity

"The costs of the business are necessarily reflected in the small surrender values in the early period of the contract, and, in fact, there can be no surrender values until the payments or deposits equal the initial costs and expenses. The general plan takes into consideration these costs and expenses, the schedule of surrender values before maturity, and the unavoidable investment losses. This enables the company to fix the exact amount of the initial payment or deposit so that the costs and probable losses of the business are equitably distributed. By applying the law of averages, the provisions of the bond or certificate with respect to surrender values are made uniform, and ought to be so made.

". . . . . Surrender values should not be so liberal that the purchaser will find it more profitable to surrender his contract than to mature it, or to permit him to escape the payment of his just proportion of the costs of the business which have already been incurred and paid. If that is permitted the investor who matures his contract is penalized for the benefit of the one who abandons it."

Must Protect Against Fraud

Hon. Mr. McAllister proceeded to urge with considerable emphasis that experience demonstrates that securities commissioners should be more concerned with the solvency and the ability of the companies to meet their obligations promptly at maturity than in the liberality of their schedules of surrender values. He felt that competition in this field would cause companies to see to it that the installment bond or certificate would promise all the returns that could be fairly given to the investor, and that the investing public was more likely to need protection from extravagant promises of surrender values than from contracts which promise too little.

Hon. Wm. McAllister further stated that the terms of the bond or certificate were a matter of private contract between the purchaser or depositor and the issuing company, and it was his opinion that the supervising official on the behalf of state or province would find it wise to interfere with the right of contract only when fraud or misrepresentation was apparent. He considered that the desire to protect the public from fraud and misrepresentation was the only legal basis or grounds for supervision of such companies. The purchaser or investor should be able to know exactly from the language of the bond or certificate exactly what he is to receive and the conditions with which he must comply to receive it.

What Supervision is Needed

In Canada various securities commissions have given some attention to the business conducted by these companies with the object of protecting the public by seeing to it that there is adequate investment in Canada to carry out promises embodied in the certificates. No matter how strong a company's financial statement may appear to be, this is obviously a type of business which cannot be left without adequate supervision. Just the type of supervision that experience shows such a company should have is also indicated in Mr. McAllister's address to Government supervisors as follows:

Investment Certificates

"The average investor will not be able to determine whether the plan, upon which the company soliciting him is doing business, is actuarially sound or not. He will not know whether the company can, or can honestly expect to, meet its promises. For that he must depend upon the officials charged with the duty of supervising the business, and you are, therefore, particularly interested in knowing that the general plan is sound, that is, that the amount of the payments required will enable the company, if honestly administered, to meet its promises.

"The plan might be sound, the business fair upon its face, but the investment of the funds made in such manner that unusual and avoidable losses will be suffered. The purchaser cannot himself examine the securities of these companies or methods of making investments, and, therefore, must depend upon you to ascertain these facts. Investments are a matter of judgment, about which men will honestly differ, but dishonest methods and practices can be discovered and eliminated. . . . .

Reserves Are Trust Funds

"The reserves held by these companies against the maturity of their obligations are trust funds impressed with the most sacred trust obligation to preserve them with the least possible hazard and the utmost possible safety. Trust funds can never be used for purposes of speculation, and certainly not for the benefit of the trustee. If men want to speculate with their own funds, that is their business, but they have no right to speculate with the money of other people, especially the small savings of the class who are the large investors in installment bonds or certificates. In the investment or handling of the reserves, no element of speculation should ever be permitted to enter. They must be invested so as to earn a reasonable return, but a large yield is not an earmark of safety of the investment.

"Details of the business should be carefully investigated from time to time, and any material deviation from the plan of business should be promptly arrested and any dishonesty or abuses of management promptly checked. If the plan is actuarially sound and the business honestly conducted, these companies provide a safe and attractive form of investment, especially for the wage earner and the salaried employee, and render a lasting and effective service to the general public."

Investors' Syndicate

Will you tell me whether it would be safe to buy an installment investment certificate of Investors Syndicate of Minneapolis? By saving and paying them $9.75 a month under this plan they will pay me in 10 years an amount of $1,500. By leaving it for ten years longer it would produce $2,500. I notice, however, that I would only be able to get $63 in 18 months of the amounts paid in if I decided not to continue further. The amounts I would get in each year after starting payments would be as follows: 2 years, $126; 3 years $249; 4 years $55[illegible]; 6 years $702; 7 years $870; 8 years $1,0[illegible]6; 9 years $1,245; 10 years $1,500. To get any benefit from this it is apparent that I must hold the certificate and pay installments yearly for the greater part of the ten-year period at least. I see the company has been in existence since 1894.

With all this talk about a modified moratorium on mortgages is there any increased danger in entering into these arrangements at present?

The money received by Investors Syndicate from certificates sold to people in the United States and Canada is reinvested in first mortgages on improved residential properties in cities of Canada and the United States. The mortgages are placed through the Syndicate's own lending companies established here and there on the Continent. All such mortgages provide, we are informed, for systematic monthly retirement of the principal and no mortgage loan is made for more than 60 per cent of the value of the property. The present average is said to be 50 per cent of aggregate appraised volumes, giving $2 of real estate collateral behind each dollar invested.

Investors Syndicate has not published from year to year a statement of receipts and disbursements so that certificate holders and the public generally can judge as to the progress made in any particular year. Every business can expect certain ups and downs, losses are inevitable at times with respect to at least a fraction of a company's business, and the advance of one year therefore may not be as great as another. Still revenue statements afford an excellent means by which one can judge as to the relative progress of a company.

The balance sheet which the company has published from year to year has shown a strengthening position, but obviously a company which sold 21,712 installment investment certificates bearing a face value at maturity of $46,904,500 in 1930 alone on this continent is in an important business which should be able to bear the closest scrutiny.

The following facts are gleaned from the last balance sheet as of December 31, 1930.

Maturity value of certificates .	$309,848,650
Total assets	38,810,116
Certificate cash surrender val.	27,509,814
Contingent liability	5,478,299
Other liabilities	615,510
Certificate reserve	3,811,608
Total capital stock	670,048
Surplus	724,837

Auditors Give Good Report

Of the total assets of $38,810,116 an amount of $36,495,182 represents cash, bonds, stock, first mortgage loans and loans on certificates, all of these being assets which the company's auditors, S. H. & Lee J. Wolfe of New York state they have checked closely and have found satisfactory. Cash amounted to $457,140; bonds and stocks would appear to have had a conservative valuation as at the end of 1930 of $2,437,504; loans on certificates at $2,180,092 are covered by surrender values of the certificates; and there remains the item of $31,420,446 for first mortgage loans after charge offs of $217,113. This is the most important asset of the company and the one which deserves the closest scrutiny as on its success in dealing with mortgages depends the ability of the company year after year in great part to meet maturities of loan certificates which it sold.

The report of the auditors as to the condition of the mortgage loans at the end of 1930 contains a table showing the percentage of loans past due at the end of the years 1926 to 1930 inclusive:

	1926	1927	1928	1929	1930
Paid-up on less than 5 mos. past due ..	89.3	94.2	95.8	97.5	94.4*
Delinquent (over 5 mos. past due)..	10.7	5.8	4.2	2.5	4.6
	100.0	100.0	100.0	100.0	100.0

*Paid up 81.5 per cent.

Delinquencies Normal

This schedule shows a larger percentage of delinquencies than at the end of preceding years since 1927, but the auditors state that, in view of the prevailing conditions during 1930, it is doubtful if any company could have continued to maintain a continually improved statement in this respect from year to year. They believe that the percentage shows a satisfactory condition, and note that the percentage of loans over five months past due at the end of 1930 was lower than at the end of 1926 and 1927 although not quite so satisfactory as at the end of 1928 and 1929. It may be stated here that company officials do not regard loans as in a serious condition until they are delinquent for more than five months. As 1931 has been an even more difficult year than 1930 delinquencies may be found larger than normal. It is understood from company sources that the situation is still considered satisfactory by officials, however.

The company also showed an asset of $873,417 for real estate. This item is not large in proportion to the total of mortgages held, but shows that the real estate which the company has had to take over mostly concerns a few states: Alabama where 181 parcels are shown at $392,774; California where 40 parcels are shown at a value of $127,148; and Oregon where 73 parcels are shown at $168,517.

Think Reserve Sufficient

There is also an item of $978,471 for real estate contracts of sale and the auditors state they feel that the values at which these properties are carried are amply secured.

The contingent liability of $5,478,299 represents fractional year payments by certificate holders which are not transferred to cash surrender values until the full years' payments have been completed.

With reference to the certificate reserve of $3,811,608, the auditors state they made tests to determine the accuracy of the reserve maintained and that they investigated the rate of interest earned by the Syndicate and the renewal experience of certificates to satisfy themselves that this reserve was sufficient. They also expressed the belief generally that the Investors Syndicate at the end of 1930 was in a sounder and better condition than at the end of any of the previous years.

In their covering letter the auditors state that they investigated the renewal experience of the Certificates and express the opinion that the table of reserves adopted by the Syndicate, together with the future payments called for by the Certificates and interest accretions at the present rate would cover the discharge of all certificates as they become due.

Exchange Affects Plan

Funds of Investors Syndicate are placed in mortgages scattered throughout the United States and Canada. The Financial Post is informed by an official of the company that Dominion funds are invested in the Dominion and represent more than the company has collected.

The situation of this company with its head office at Minneapolis, Minn., U.S.A., is made somewhat interesting at the present moment by the difference between the value of the Canadian dollar and the American dollar. With 10 per cent to 20 per cent difference in exchange the company has been obliged to issue new certificates payable in Canadian money. Certain holders at maturity of old certificates demanded United States funds and were able to get a good deal more than had been expected. This will not obtain in the future and the company, it is understood, expects income accruing from investments in Canada to be sufficient to meet maturing obligations here.

Because of attractive possibilities in Canada, and the fact that the company can invest United States money here at a ten per cent premium, it is understood that the company is investing at present a good deal more than its current business in Canada at present calls for.

The company has established its mortgage loan business in some of the provinces and its business in this respect is expected to grow. Ontario mortgages have not been bought as yet, but government and municipal bonds have been deposited to an amount in excess of its obligations for cash surrender values of certificates sold. That, of course, is no protection for the first 18 months of a certificate's life before cash surrender value begins.

Western Savings

I would appreciate your advice on the standing of the Western Savings and Loan Association, Winnipeg. They have a proposition whereby they guarantee to return $1,000.00 in fifteen years on a deposit of $3.50 monthly.

As this looks a very good scheme if they are absolutely sound and trustworthy in every way, I will be glad to have your advice regarding the company.

Western Savings & Loan Association is subject to the jurisdiction and supervision of Public Utility Board of Manitoba with which the company files monthly reports. The company's investments are chiefly in first mortgages and improved urban properties, but to some extent in Dominion of Canada bonds. The latest figures supplied to us by the company showed that on September 30, 1930, the company had assets of $243,490 as against liabilities to certificate-holders of $190,174. At that time, actual arrears of interest were stated to be about $200, and the appraised value of securities held by the association is some four times the amount of the outstanding principal and interest.

The company issues saving certificates, the principal amount of which is payable over a period of years. The rate of interest paid on installment savings is 6 per cent. This plan of investment to be more profitable to the investor, demands payment of installments over the full 15-year period, for, while withdrawal privileges are provided after 12 monthly installments have been paid, the return to the investor is reduced materially.

The loans and first mortgages are practically exclusively on residences owned by the owners. The company informs us that loans are made throughout Manitoba and Saskatchewan and now in Alberta. During the past year, business in Saskatchewan has been confined practically solely to the district north of the Saskatchewan River, where the crop situation has been favorable. The loans in Saskatchewan are mostly held in Regina and Saskatoon, although the amount in Regina is negligible and well secured, being small loans covered with collateral from life insurance as well as being a first mortgage covering the residence of the borrower. In Alberta, the company has been operating since June 1, 1931, and it has loaned about $20,000. Repayments, it is claimed, are being kept up in a healthy way, $200 arrears referred to being $141.34 in Manitoba, and $60.93 in the Province of Saskatchewan. These arrears are being liquidated monthly. The arrears of interest are not treated as assets.

It is stated that cash surrender value under life insurance policies held as collateral security now totals something around $17,000. The cash value of savings balances by borrowers at their credit with their association total about $17,000 alone.

The association's monthly income from all sources averages around $25,000.

Champion-Simmons

I am offered the ten year accumulative installment certificate of Champion-Simmons Investment Corp., Regina, Sask., F. Somerville, president, C. F. Simmons, secretary and L. R. Champion a director among others. By paying $6.50 a month I get $1,000 in 10 years. What do you think of this proposition and of the company?

The remarks made already on this page in answer to questions concerning similar companies, and especially the general article on installment certificates which leads off this page, will answer part of your question. From the company we have the following particulars concerning its history and business:

"The Champion Simmons Investment Corporation was organized in December, 1929, under letters patent granted by the Dominion of Canada.

"The business of the company is to issue and sell ten year accumulative installment certificates. To date there are approximately one million of these certificates in force.

"As an additional feature of the certificate, the company has made arrangements with the Montreal Life Insurance Company to issue term insurance for the ten year life of the certificate at a small additional cost to the investor.

"In order to provide security for the certificate holder a trust agreement was drawn in accordance with the requirements of the Security Frauds Prevention Act, which stipulates that 110 per cent of the liability to our certificate owners must be maintained in securities deposited with the trust company. Reports as to the certificate liability and as to the securities on deposit are made periodically or at the request of the Security Frauds Department. The agreement cannot be terminated except with the consent of the Attorney General's Department.

"The Company is an all-Canadian institution and the money invested with us stays in Canada."

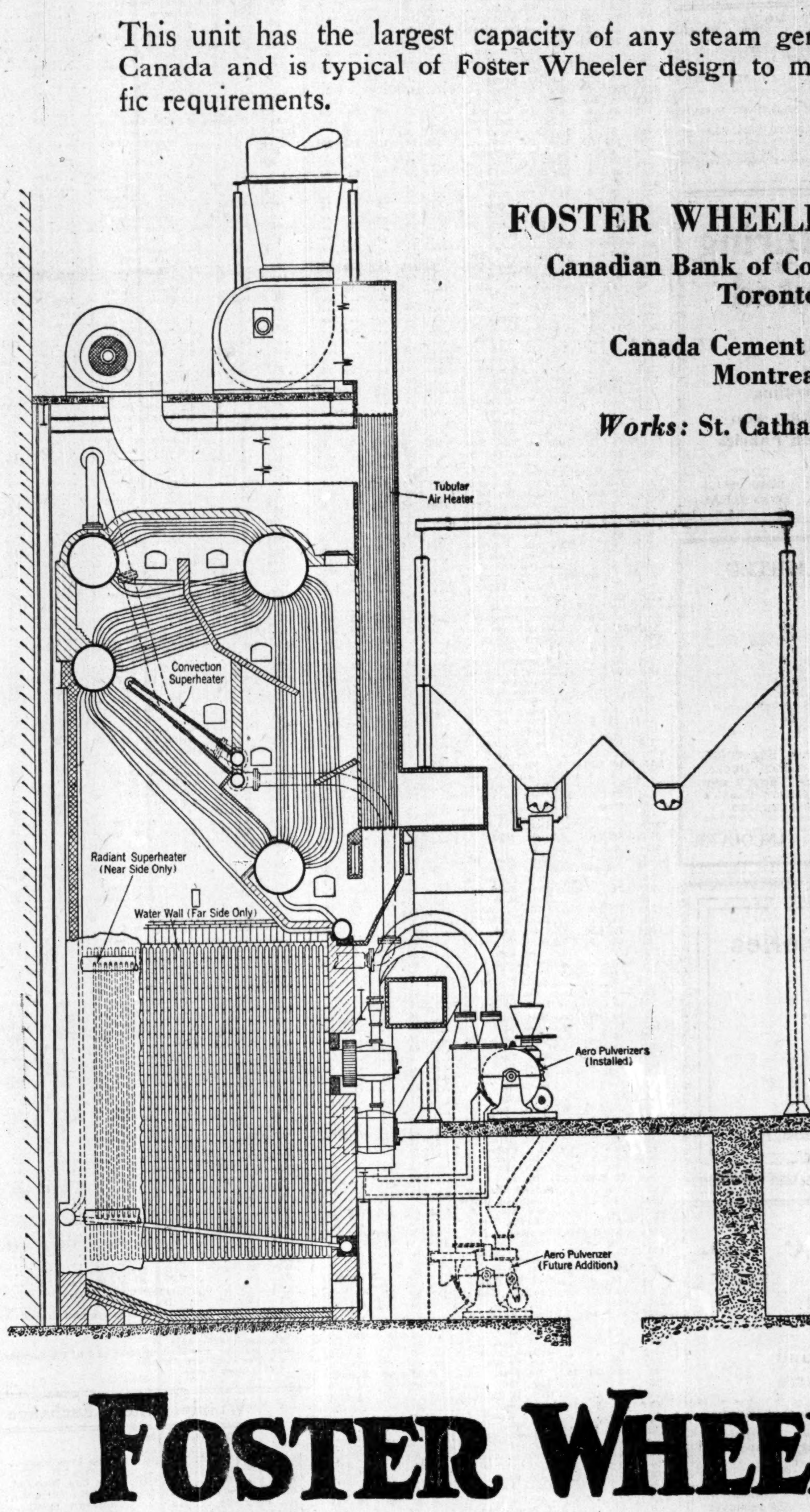
Property Management
makes for assured constant minimum vacancies, and minimum operation costs. Information regarding our Property Management Department submitted on request.
McWILLIAMS & BROUGHALL
Members Toronto Real Estate Board
Members National Real Estate Board
25 King Street West
TORONTO
Elgin 4182-3-4

Canada's Largest

THIS steam generator embodies a number of developments which have had a marked effect on the science of steam generation. The equipment includes a pulverized fuel fired boiler of 1,650 hp., a steam, water and air cooled furnace, a combination convection and radiant super-heater and a tubular type air preheater. Steam at a pressure of 400 pounds per sq. in. can be generated at the rate of 205,000 pounds per hour.

The generation of steam is accomplished efficiently, economically and with a minimun maintenance cost.

This unit has the largest capacity of any steam generator in Canada and is typical of Foster Wheeler design to meet specific requirements.


Tubular Air Heater
Convection Superheater
Radiant Superheater (Near Side Only)
Water Wall (Far Side Only)
Aero Pulverizers (Installed)
Aero Pulverizer (Future Addition)

FOSTER WHEELER LIMITED
Canadian Bank of Commerce Bldg.
Toronto
Canada Cement Co. Bldg.
Montreal
Works: St. Catharines, Ont.

FOSTER WHEELER

A.J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay street, (First Floor) Toronto, 2 Elgin: 5101-5102-5103
5104-5105-5106

GENERAL TRUST OF CANADA
Capital paid up $1,105,000
112 ST. JAMES ST., WEST - MONTREAL

PRICE CUTTING PROVES MENACE TO DISTILLERIES

Canadian Industrial Alcohol Shareholders Hold Meeting

From Our Own Correspondent

MONTREAL.—The distilling industry has gone from bad times to worse but Lord Shaughnessy, president of Canadian Industrial Alcohol, told shareholders at the annual meeting he was not without hope that in time the company would regain some measure of its former prosperity. It will be remembered that Canadian Industrial Alcohol sustained an operating loss of $332,247 in the fiscal year ended September 30, 1931, and due to a general overhauling of its balance sheet brought forward a debit balance of $3,041,070 into the current fiscal year.

President Shaughnessy dealt with the particular problems encountered by the company last year mentioning the legislation which had stopped one of the most profitable channels of business and the ensuing competition in the sole remaining outlets. Price-cutting had set in, he said, which unless it could be stopped, made the outlook for the industry none too promising.

An additional trouble lay in facility with which Scotch whiskies may be imported at prices with which domestic manufacturers find it difficult to compete. This, too, has been aggravated by the prevailing rate of exchange. Neither had it been profitable for the company to withdraw from bond in large quantities.

Discusses Balance Sheet

In discussing the changes in the balance sheet, which shows $3,414,048 charged off valuation of shares in associated companies, Lord Shaughnessy explained that it had been advisable to write down these investments to a level more consistent with their earning power. After further reference to balance sheet, he referred to the fact that L. V. Wright of Toronto had joined the board. In effect, he has been the company's general manager and as such, it was stated, had done much to further the company's interests.

Expenses have been cut by $250,000 a year and further economies totalling about $210,000 annually are in prospect. Some discussion centred around the value of goodwill which was shown for the first time at $2,142,180.

The old question of shareholder representation on the board was resurrected. The president pointed out that the company's by-laws entitle it to a board of 15 directors. Latterly there have been 8 directors and due to lack of time available since the opinion of the solicitors had been received, the president said he was compelled to nominate a board composed solely of employees. These he sought to have reelected with the proviso that as soon as convenient seven of the fifteen should retire. He repeated his assertion of last year that he would welcome suggestions from shareholders for appointment to the board of men not employees of the company.

The fifteen directors were then elected as follows:

Right Hon. Lord Shaughnessy, K.C., L. V. Wright, J. G. Lawrence, A. M. Reaper, E. Lauster, C. G. Kaestner, J. Stormont, F. J. Flanagan, J. P. Masterson, G. A. S. Harris, W. Stormont, M. Haupt, S. G. Turnbull, C. C. O'Rourke, and A. A. Strachan.

At a special general meeting approval was given to a by-law enabling the company to borrow money by the issue of bonds, which it was pointed out did not necessarily imply that financing was to be carried out immediately.

Public Utility Earnings

Brazilian Traction

	1931 $	1930 $	Decrease $
Gross earn.	2,408,855	3,532,353	1,123,498
Oper. exp..	1,038,809	1,457,219	418,410
Net earn. .	1,370,046	2,075,134	705,088
Aggre. gross from Jan. 1	32,474,585	43,313,377	10,838,792
Aggre. net from Jan. 1	19,561,546	25,443,362	5,881,816

The decline in exchange again accounts in very large measure for the decrease in net earnings in comparison with November, 1930.

Woods Manufacturing Company, Limited
Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine
Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics
FACTORIES AT
MONTREAL, TORONTO, OTTAWA, WINNIPEG, WELLAND
HEAD OFFICE
MONTREAL

DOMINION TEXTILE CO., LIMITED
PRUE COTTONS
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
485 McGILL STREET
MONTREAL
Refineries - Saint John, N. B.

Dominion Bridge Co.
LIMITED
Montreal, P.Q.
Engineers, Manufacturers and Erectors of Steel Structures
Head Office and Works
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.
Branch Office and Works
Amherst Ottawa Toronto
Winnipeg Calgary Vancouver
Sales Offices
Montreal Ottawa
Toronto Winnipeg
Calgary Regina
Edmonton Vancouver

WEEK'S CANADIAN STOCK AND BOND QUOTATION

Montreal, Toronto & Curb Stocks

WEEK ENDING DECEMBER 21

Range 1931 High	Low	Divd. Rate in $	Yield in % Dec. 19		Sales	Close Dec. 14 (or last)	Week Ending —Dec. 21— High	Low	Close
13¾	2½	.	...	Abitibi, c.	860	3	3	2¼	2¾
50	7	.	...	Do. pref.	55	7	9½	7	9½
105	80	.	...	Do. pref.	....	80½	..	..	..
9	5½	.	...	Agnew Surp. c.	10	7½	9	9	9
88	83	7	8.4	Do. pref.	....	83	..	..	..
7½	2½	.	...	Alta. Pac. Gr.	....	7	..	..	..
30	10½	.	...	Do. pref.	30	27	30	30	30
4	3	.	...	Amal. Electric	....	3	..	..	..
18	10	.	...	Do. pref.	....	10	..	..	..
3½	2½	25c	...	Anglo N. Hold.	....	3½	..	..	..
.50	.25	.	...	Asbestos	100	.30	.25	.25	.25
2.00	.45	.	...	Do. pref.	....	2.00	..	..	..
9	5	60c	11.2	Assoc. Brew.	245	5½	5¾	5½	5½
70½	67	7	10	Do. pref.	....	70	..	..	..
10	3	.	...	Assoc. Can.	....	3	..	..	..
69	65	4+50	...	Assoc. Tele.	....	66	..	..	..
37½	12¾	.	...	Atlan. Sugar	....	22½	..	..	..
105	79¾	.	...	Do. pref.	....	92	..	..	..
175½	158½	10	6.1	Bk. Can. Nat.	....	164½	..	..	..
303	235	12	5.1	Bk. Montreal	1	235	235	235	235
326	284	16	5.6	Bk. N. Scotia	....	284	..	..	..
238	213	12	5.6	Bk. of Toronto	....	213	..	..	..
24	8½	.	...	Barcelona Tr.	....	15	..	..	..
5¼	3½	.	...	Bathurst Pr.	....	3½	..	..	..
5	1	.	...	Do. (B)	5	2¼	1	1	1
x26	26	.	...	Bawlf Grain	....	..	..	..	..
25	20	.	...	Do. pref.	....	20	..	..	..
12	6	.	...	Beath & Sons	....	6	..	..	..
20	10	1	10	Beatty Bros. A	5	10	10	10	10
80	60	6	10	Do. pref.	25	60	60	60	60
8½	3	.	...	Beauharnois	63	3½	3½	3½	3½
93	85	7	8.2	Belding Cort.	....	85	..	..	..
100	90	7	7.8	Do., pref.	....	90	..	..	..
55	10	.	...	Belgo C.P. pf.	....	10	..	..	..
151½	121	8	6.6	Bell Telephone	650	121½	122	121	121
4½	2	.	...	Biltmore Hats	....	2	..	..	..
65	45	7	15.5	Do. pref.	....	45	..	..	..
4	2	.	...	Bissell, T. E.	....	4	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
20	9	2	21	Blue Ribbon	235	15	12	9	9
39½	27	3.25	12	Do. pref.	50	30	27	27	27
22½	14	2	11.4	Brant. Cd. pf.	....	17½	..	..	..
28½	7⅛	50c(d)	..	Brazilian Tr.	8551	11⅛	12	10	11
1.25	.25	.	...	Brewing Corp.	138	.50	.50	.50	.50
7½	2½	.	...	Do. pref.	30	3	3	2½	2⅝
¾	¾	.	...	Brew. & Distil.	....	¾	..	..	..
16½	7⅜	80c	7.6	Brit. Amer. Oil	7940	9½	10½	9⅛	10
3½	½	.	...	B.C. Packers	1315	1½	1½	1	1½
22	5	.	...	Do. pref.	60	6	5¼	5	5
42½	26	2	7.7	B.C. Power	10	26	26	26	26
18	7	.	...	Do. (B)	....	8⅝	..	..	..
2	1	.	...	B.E. Steel	....	1⅛	..	..	..
21	18½	.	...	Do. 1st pref.	....	18½	..	..	..
3½	1⅛	.	...	Do. 2nd pref.	....	2¼	..	..	..
8	4½	.	...	Bruck S. Mills	....	4½	..	..	..
26	15½	2	11.1	Building Prod.	50	15½	18	18	18
44½	29½	3	10	Burt, F. N.	100	31	30½	30	30
146	137	6	4.4	Calgary Pr.	....	137	..	..	..
7⅞	2¼	.	...	Can. Bread	20	2¼	3	2½	2½
100	87	7	7.4	Do. pref. (A)	....	95	..	..	..
80	55	2	3.6	Do. pref. B.	5	63	55	55	55
13	7	1	11.1	Canada Bud	330	8	9	7½	9
18⅞	5	.	...	Can. Cement	1154	5½	6¾	5½	6½
96½	63	6.50	9.7	Do. pref.	294	68	68½	66	67
b45	11	1.20	9.4	Canada Dry	12300	14¾	14⅞	11	12
12	10	.	...	Can. Forg. (A)	....	10	..	..	..
x16	5	.	...	Do. (B)	....	..	..	..	..
68	66	3	4.4	Canada Iron	....	66	..	..	..
76	60	6	10	Do. pref.	....	60	..	..	..
650	630	20	...	Canada Life	....	630	..	..	..
16½	10⅜	1.50	12.4	Can. Malting	375	12½	12¼	11⅞	12¼
25½	15	80c	4.1	Can. Nor. Pr.	....	19½	..	..	..
107	104	7	6.6	Do. pref.	....	106	..	..	..
6	¾	.	...	Can. Paving	....	¾	..	..	..
51	10½	.	...	Do. pref.	....	10½	..	..	..
216	190	12	6.3	Can. Perman.	10	194	190	190	190
4.50	.50	.	...	Can. Pr. & Pa.	5	.60	.60	.60	.60
9	3	.	...	Can. Steamsh's	50	3½	3	3	3
27	8	.	...	Do. pref.	....	9	..	..	..
20	14½	1.60	10.6	Can. Vinegar	30	14⅞	15	14½	14½
70	54½	4	6.5	Can. W. Cable	....	61	..	..	..
30½	20	1	4.8	Do. (B)	....	20¾	..	..	..
16	9½	.	...	Can. Bakeries	....	9½	..	..	..
35	31	.	...	Do. pref.	....	31	..	..	..
232	196	12	6.1	Can. Bk. Com.	10	196	196	196	196
36½	19	1.25	6.6	Can. Bronze	....	19	..	..	..
110	102	7	6.9	Do. pref.	....	102	..	..	..
13½	8	20c	2.5	Can. Canners	....	8	..	..	..
92½	80	6	7.5	Do. 1st pfd.	22	80	80	80	80
14	8½	68c	7.5	Do. 2nd pref.	....	9	..	..	..
19	4½	1	15.1	Can. Car & F'y	2112	6½	7	6½	7
25½	14⅞	1.75	11.3	Do. pref.	630	14⅝	15½	14⅝	15½
14½	6	.	...	Can. Celanese	....	6½	..	..	..
73½	59	7	10.8	Do. pref.	....	65	..	..	..
58	30	4	13.3	Can. Convert.	10	30	30	30	30
x50	45	.	...	Can. Cottons	....	..	..	..	..
55	49	6	11.8	Do. pref.	....	51	..	..	..
36½	12	.	...	Can. Dredge	851	17	25	12	14
92	92	7	7.6	Do. pref.	....	92	..	..	..
81½	79	6	7.5	Can. Fairb. pf.	....	80	..	..	..
6	5¾	.	...	Can. For. Inv.	....	6	..	..	..
80	70	8	10.4	Do. pref.	....	77	..	..	..
300	200	4	2	Can. Gen. Elec.	....	200	..	..	..
63½	54	3.50	6.4	Do. pref.	18	55½	54⅞	54⅞	54⅞
80	52	6	9.1	Can. Hyd. E. p.	....	66	..	..	..
5½	1½	.	...	Can. Ind. Alc.	1592	1½	1½	1⅛	1¼
3½	¾	.	...	Do. (B)	....	1	..	..	..
5.00	3.95	.	...	Can. Int. I. Tr.	....	3.95	..	..	..
70	64½	5	7.7	Do. pref.	....	65	..	..	..
42	15	1	...	Can. Lt. & Pr.	....	25	..	..	..
18	1	.	...	Can. Locomo.	....	1	..	..	..
25	5	.	...	Do. pref.	....	5	..	..	..
b4½	¾	.	...	Can. Marconi	13900	1	1	¾	1
23½	9	1	10	Canadian Oil	140	9½	10	9½	10
120	95½	8	8	Do. pref.	....	100	..	..	..
45½	12½	1.25	...	Can. Pacific	4752	16	16⅜	14⅜	14½
6¼	2½	.	...	C. Pr. & Pa. ln.	....	5	..	..	..
6½	2¼	.	...	Can. Vickers	....	2¼	..	..	..
35	16	.	...	Do. pref.	....	20	..	..	..
6	2	50c	...	Can. Wineries	....	2¼	..	..	..
16	6	1	14.3	Can. Wire Box	105	7½	7½	7	7
12	12	.	...	Catelli Mac. A.	....	12	..	..	..
5	5	.	...	Do. (B)	....	5	..	..	..
301	290	12+2	4.7	Cent. Can. L'n	....	300	..	..	..
5.35	1.50	10c	...	Chem Research	3600	2.00	2.17	1.77	2.06
20.25	7.00	30c(c)	...	Cities Service	....	8.50	..	..	..
10	3	.	...	Cockshutt Plow	1300	4½	5¼	4	5
9	3	.	...	Comm. Alcohol	....	4	..	..	..
9	3	.	...	Conduits	....	3½	..	..	..
94	84	7	7.8	Do. pref.	....	90	..	..	..
12⅞	6½	1	12.9	Cons. Bakeries	354	6⅞	8	6½	8
3	¾	.	...	Cons. Food Pr.	....	¾	..	..	..
6	3	.	...	Do. (A)	....	3	..	..	..
18⅜	5	80+20c	18.2	Cons. Indust.	275	6⅛	6⅝	5	5½
5	5	.	...	Consol. Paper	....	5	..	..	..
31	23	2	8.3	Cons. Press	....	23	..	..	..
80	50	7	14	Cons. Sand, pf.	....	50	..	..	..
188½	64	2.50†	3.5	Con. Smelters	2550	68½	75¼	66	71
188	163	10	5.9	Consumers Gas	53	165	167	163	167
x35	30	.	...	Cooksville Co.	....	..	..	..	..
x85	85	.	...	Do. pref.	....	..	..	..	..
20½	15	.	...	Corporate Steel	....	15	..	..	..
x90	90	.	...	Corr. P. Box, p	....	..	..	..	..
3½	1	.	...	Cosgrave Br.	525	3¼	3½	3¼	3¼
9	3	.	...	Cosmos Imp.	65	3½	4	4	4
93	65	7	10.4	Do. pref.	60	70	70	65	65
6¼	2	.	...	Crown Dom. Oil	50	2½	3	3	3
15	8½	3	...	Crow's N. Coal	....	10⅛	..	..	..
5	3	.	...	David & Fre. B	....	3	..	..	..
12½	12½	.	...	De Havilland	....	12½	..	..	..
9	5	.	...	Disher Steel	....	5	..	..	..
10	10	1.50	15	Do. pref.	200	..	10	10	10
12⅞	5	1	19.5	Distill-Seagram	1025	5½	5½	5	5½
223	204	12	5.9	Dominion Bank	....	204	..	..	..
55½	27	3	11.1	Dom. Bridge	....	27	..	..	..
40	40	.	...	Dom. Coal	....	40	..	..	..
50	15	.	...	Dom. Engineer.	25	18	20	20	20
x14	10	.	...	Dom. Found.	....	..	..	..	..
126	82	5	6.1	Dom. Glass	....	82	..	..	..
125	119	7	5.6	Do. pref.	....	125	..	..	..
20	20	.	...	Dom. Iron, pf.	....	20	..	..	..
11¾	2¾	40c	14.5	Dom. Motors	20	3½	3	2¾	2¾
14	9	.	...	Dom. Pr. Stubs	....	9	..	..	..
24	24	.	...	Dom. Steel, pf.	....	24	..	..	..
8½	1	.	...	Dom. St. & C.B.	360	2	2	2	2
24½	18½	1.20+30c	8.6	Dom. Stores	2125	18¼	17½	15⅞	17½
14	5	.	...	Dom. Tar & Ch.	....	5	..	..	..
95	79½	6.50	8.2	Do. pref.	....	79½	..	..	..
83	63	5	7.9	Dom. Textile	....	63½	..	..	..
123	120	7	5.8	Do. pref.	....	120	..	..	..
12	10	.	...	Donnacona	....	10	..	..	..
7	1½	.	...	Dryden Paper	230	2	2	2	2
7½	3	.	...	Duff. Paving	....	5½	..	..	..
80	68	7	10.3	Do. pref.	....	68	..	..	..
25½	16	1	5	East. Dairies	....	20	..	..	..
20	16	50c	...	East. Steel	....	16	..	..	..
100	97	7	7.1	Do. pref.	....	98	..	..	..
16	16	.	...	East Koot. Pr.	....	16	..	..	..
97	94⅜	7	7.3	Do. pref.	....	96	..	..	..
x34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
3½	3⅜	.	...	Easy Washer	....	3½	..	..	..
37	34⅝	1.75	4.7	Economic Inv.	....	37	..	..	..
15	15	.	...	Edmonton D'y	....	15	..	..	..
80	78⅞	6.50	8.3	Do. pref.	....	78⅞	..	..	..
8	5	.	...	Enam. & Heat.	....	5	..	..	..
40	20	3	15	Eng. Electric	10	20	20	20	20
16	2	.	...	Do. (B)	35	2	2½	2½	2½
39½	16	2	11.1	Fam. Players	....	18	..	..	..
33½	18	2	11.1	Do. Vot. Tr.	....	18	..	..	..
18	8	1	10.2	Fanny Farmer	129	10	10	8	8
34	27	2.40	8.9	Do. pref.	....	27	..	..	..
x.25	.10	.	...	Federal Distil.	....	..	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
29½	10½	.	...	Ford Motors A	4245	11⅞	12½	10⅞	11
15	5	.	...	For. Pr. Secs.	....	5	..	..	..
16½	8½	1	11.1	Foundation Co.	20	9	9	9	9
2	½	.	...	Fraser Cos.	500	1	1⅛	1	1
25	25	.	...	Fron. Brew. pf.	....	25	..	..	..
8	5	.	...	Frost Steel	....	7	..	..	..
96½	85	7	8.2	Do. pref.	....	85	..	..	..
7½	1⅛	.	...	Gen. St. Wares	170	2¼	2½	2	2¼
119	70	5	6.2	Goodyear Tire	112	80	82	75	80
107⅞	87⅞	7	7.9	Do. pref.	5	90	87⅞	87⅞	87⅞
93½	93½	7	7.5	Gould Pumps p	....	93½	..	..	..
¾	½	.	...	Gt. W. Saddlery	....	⅝	..	..	..
8	6	.	...	Do. pref.	....	8	..	..	..
31	20	2	9.5	Gurd. Chas.	....	21	..	..	..
12⅞	5	.	...	Gypsum, Lime	55	5	5½	5	5½
20½	6½	.	...	Ham. Bridge	25	7	7	7	7
80	63	6.50	10.1	Do. pref.	1	67	64	64	64
19	8	.	...	Ham. Cot., pf.	10	12⅞	8	8	8
4½	1	.	...	Ham. U. Theat.	50	1	1	1	1
63	55	7	11.7	Do. pref.	....	60	..	..	..
12	3½	.	...	Hayes Wheel	....	3½	..	..	..
x95	80	.	...	Do. pref.	....	..	..	..	..
x50	50	.	...	Hillcrest Coll.	....	..	..	..	..
x91	91	.	...	Do. pref.	....	..	..	..	..
4	1	.	...	Hinde & Dauch	....	1½	..	..	..
75	75	.	...	Holt Renfrew	....	75	..	..	..
x96½	90	7	...	Do. pref.	....	..	..	..	..
7	3	.	...	Honey Dew	40	3	3¼	3	3
59	40	7	17.5	Do. pref.	5	40	40	40	40
6	2½	.	...	H. Smith Pap.	....	2¼	..	..	..
45	30	.	...	Do. pref.	....	32	..	..	..
22	15	2.40	11	Humberstone S	....	21½	..	..	..
23½	17	1.40+50	11	Hunt (A)	....	17	..	..	..
23¼	18½	1.40+50	10.2	Do. (B)	....	18½	..	..	..
150	143	8	5.5	Huron & E. M.	....	144	..	..	..
29½	28	.	...	Do. 20% pd.	....	28	..	..	..
29⅝	13⅞	.	...	Hydro Electric	....	14	..	..	..
225	201	12	5.9	Imperial Bank	....	203	..	..	..
18⅞	8½	50+50c	9.7	Imperial Oil	23629	10	10½	9⅞	9⅞
10½	8⅞	35+20c	6.2	Imperial Tob.	42	8⅞	8⅞	8⅞	8⅞
80	80	8	...	Intercol. Coal p	....	80	..	..	..
29	13	2a	...	Int. Hyd. E(A)	....	13	..	..	..
103	92	7	7.3	Inter. Mill., pf.	55	96	96	96	96
80	80	6	7.5	Do. Series (A)	....	80	..	..	..
20½	8½	20c	2	Inter. Nickel	29885	9	10¼	8⅝	10
10	5	.	...	Inter. Paints	....	5	..	..	..
b10	1½	.	...	Int. P. & P. A	6100	2½	2⅛	2	2¼
b6	½	.	...	Do. (B)	300	1½	¾	½	½
b4½	¼	.	...	Do. (C)	....	1	..	..	..
b43½	7⅛	.	...	Do. pref.	14050	8½	8⅞	7½	8
15½	8½	1	8.9	Inter. Pete.	8537	10⅜	11¼	9¼	11
8	5	.	...	Inter. Power	....	5	..	..	..
73	56¼	7	12.3	Do. pref.	....	57	..	..	..
45	5	.	...	Int. Util. (A)	765	11½	12½	5	8
11	1⅛	.	...	Do. (B)	900	2½	2⅝	1½	2¼
40	40	1	2.5	Jam. Pub. Ser.	....	40	..	..	..
109	99½	7	7	Do. pref.	....	100	..	..	..
5½	2½	.	...	Kelvinator	....	3	..	..	..
90⅜	73¼	7	7.8	Do. pref.	....	90	..	..	..
x40	40	.	...	Kng. Ed. Hotel	....	..	..	..	..
24	5	.	...	Lake of Woods	198	7	6	6	6
101	82	.	...	Do. pref.	....	85	..	..	..
140	140	8	5.7	Landed Bank.	....	140	..	..	..
46	33	3	8.1	Laura Secord	105	38	37½	37	37
16	8½	1	10	Lindsay, C. W.	....	10	..	..	..
72½	65	6.50	9.7	Do. pref.	....	67	..	..	..
14½	9½	80c	7.8	Loblaw (A)	934	9⅞	10¼	9½	10
14½	9	80c	8.1	Do. (B)	420	9½	10	9	10
x2¾	2½	.	...	Loew's, London	....	..	..	..	..
25	10	.	...	MacKin. Steel	....	20	..	..	..
95	90	7	7.7	Do. pref.	....	91	..	..	..
x36	20	.	...	Manitoba Pr.	....	..	..	..	..
10½	4⅜	.	...	Maple Leaf	....	4⅜	..	..	..
40	10	.	...	Do. pref.	20	30	20	18	20
35	30	.	...	Do. pref. (B)	....	30	..	..	..
38	30	.	...	Marcus Loew's	....	38	..	..	..
73	70	.	...	Do. pref.	....	73	..	..	..
10½	1⅝	.	...	Massey-Harris	4045	3½	4½	3½	4
22½	9⅜	60c	6.1	McColl Fron.	40	9⅞	9⅞	9⅞	9⅞
80	69¼	6	7.9	Do. pref.	....	76	..	..	..
45	35	.	...	Mexican L. & P.	....	35	..	..	..
x25	25	.	...	Mercury Mills	....	..	..	..	..
x89	58½	.	...	Do., pref.	....	..	..	..	..
40½	40	2	5	Mitchell, J. S.	....	40	..	..	..
105	104	7	6.7	Do. pref.	....	105	..	..	..
20	8	1	12.5	Mitchell, Robt.	70	8	8	8	8
1	1	.	...	Monarch Knit.	....	1	..	..	..
38	38	.	...	Do., pref.	....	38	..	..	..
95½	83½	6	6.5	Montreal Cot.	....	92	..	..	..
102	98	7	7	Do. pref.	....	100	..	..	..
3½	2	.	...	Montreal Exhib.	....	2¾	..	..	..
20	14	.	...	Mont. Is. Pr.	....	14	..	..	..
68¼	38	1.50	3.9	Mont. L. & P.	186	38	38	38	38
49½	48	3+25	6.8	Montreal Loan	....	48	..	..	..
60	48	3.20	6.3	Montreal Tele.	18	51	51	51	51
177	150	10	6.4	Mont. Trams.	10	155	155	155	155
17½	8½	1	11.1	Moore Corp. c.	129	8½	9	8½	8½
108½	95	7	7.2	Do. (A)	5	95	97¼	97¼	97¼
126	97¼	7	7.2	Do. (B)	5	99	97¼	97¼	97¼
x10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
x49	49	1	...	Do. pref.	....	..	..	..	..
3½	2	10c	...	Muirheads	35	2	2	2	2
10	6	75c	8.3	Do. pref.	....	9	..	..	..
35½	23½	1.60	6.7	Nat. Brew.	10	24	24	24	24
35	27	1.75	5.6	Do. pref.	....	31	..	..	..
x10	3	.	...	Nat. Brick	....	..	..	..	..
19	5	.	...	Do. pref.	....	5	..	..	..
.50	.25	.	...	Nat. Distiller.	....	.40	..	..	..
42	11½	2	16	Nat. Steel Car	83	12½	12½	12½	12½
360	250	14	5.6	National Trust	....	250	..	..	..
13	10⅝	1	9.4	Niag. W Weav.	....	10⅝	..	..	..
36	32	3	9.4	Do. pref.	....	32	..	..	..
6.00	2.00	.	...	North Star Oil	....	2.75	..	..	..
4.95	4.00	35c	8.2	Do. pref.	....	4.25	..	..	..
x25	22½	.	...	N.S. Steel, pf.	....	..	..	..	..
285	125	8	4.3	Ogilvie Flour	....	185	..	..	..
130	116½	7	6	Do. pref.	....	117	..	..	..
21	7	60c	7.5	Ont. Eq. 10% p	65	8	8	7	7
120	113	6	5.1	Ontario Loan	....	117	..	..	..
7	5	.	...	Ont. Silknit	....	7	..	..	..
16	13	80c	6.1	Ont. Steel	....	13	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
1½	¾	.	...	Orange Crush	....	¾	..	..	..
60	45	7	15.6	Do. (A)	....	45	..	..	..
5½	1	.	...	Do. (B)	....	1	..	..	..
110	90	6	5.7	Ott. L. H. & Pr	....	105	..	..	..
105½	102	6.50	6.3	Do. pref.	....	103	..	..	..
25	25	.	...	Ott. Traction	....	25	..	..	..
92⅞	68	5	7.2	Page Hersey	55	69½	69½	69½	69½
49	21½	2.50	...	Paramount	....	21½	..	..	..
35	30	.	...	Paton Mfg.	....	30	..	..	..
94	82	7	7.4	Do. pref.	....	94	..	..	..
¼	¼	.	...	Pelissiers	....	¼	..	..	..
30	25	.	...	Do. pref.	....	30	..	..	..
73	31	4	12.1	Penmans	....	33	..	..	..
101	93	6	6.2	Do. pref.	....	97	..	..	..
.75	.50	.	...	Perfec. Glass	....	.50	..	..	..
29	16½	2	11.1	Photo Eng.	120	16½	18	16½	16½
40	10	.	...	Port Alfred, pf.	....	10	..	..	..
70	64	7	10	Porto Rico P. p	....	70	..	..	..
b39½	4	.	...	Postal Tele.	....	..	..	..	..
63½	35½	2	5.5	Power Corp.	1	36½	36½	36½	36½
102	94	6	6.2	Do. pref.	....	97	..	..	..
4½	2½	.	...	Prairie C. Oils	20	3	2½	2½	2½
16	8½	50c	5	Pressed Metals	....	10	..	..	..
42½	25	.	...	Price Bros.	....	25	..	..	..
99	70	6.50	9.3	Do. pref.	....	70	..	..	..
49	27	2	6.9	Quebec Power	1	29	29	29	29
110	105	7	6.7	Real Estate Ln.	....	105	..	..	..
3	1	.	...	Regent Knit.	....	1	..	..	..
10	5½	.	...	Reliance Grain	....	9	..	..	..
16	9	2	17.7	River. S. Mills	....	11	..	..	..
19½	10	1.50	15	Robinson Cone	10	10	10	10	10
16½	9	.	...	Rogers Majest.	....	9	..	..	..
291	231	12	5.2	Royal Bank	....	231	..	..	..
84	75	.	...	Ruddy, E. L. p	....	75	..	..	..
77½	32	3	8.6	Russell Motor	....	35	..	..	..
95	72½	7	9.6	Do. pref.	75	2⅞	2⅝	2¼	2⅜
7	7	.	...	Sarnia Br. (A)	....	7	..	..	..
x12	5	.	...	Do. (B)	....	..	..	..	..
36½	5½	.	...	Serv. Stn. Eq.	530	6	6	5¼	6
90½	46	6	13	Do. pref.	270	50	50	46	46
59½	32½	2	6.1	Shawinigan	15	33	33	33	33
30	20	1.60	6.7	Sher.-Wms.	....	24	..	..	..
120	112	7	6.1	Do. pref.	....	115	..	..	..
22	14	2.50	14.7	Simon & Son	200	17	17	17	17
92	88½	7	7.7	Do. pref.	....	91	..	..	..
92½	55	6.50	11.8	Simpsons Ltd.	....	55	..	..	..
44½	36	.	...	Do. (A)	....	36	..	..	..
35½	24½	.	...	Do. (B)	....	29	..	..	..
108	100	6	5.8	Simpson, Robt.	....	103	..	..	..
4	½	.	...	St. Law. Corp.	522	1	1⅛	1	1
12	2½	.	...	Do. (A)	....	4	..	..	..
20	16	.	...	St. Law. Flour	....	16½	..	..	..
85	82	7	8.2	Do. pref.	50	85	85	85	85
30½	10	.	...	St. Law. Pap. p.	10	11	10½	10½	10½
30	4	.	...	St. Maur. V. p	....	4	..	..	..
32	22¾	1	3.4	South. Can. Pr.	....	29	..	..	..
106½	104	6	5.7	Do. pref.	....	105½	..	..	..
16½	2¼	.	...	St. Pav. & Mat	50	3	2½	2½	2½
80	55	7	11.7	Do. pref.	....	60	..	..	..
1	1	.	...	Stanfords	....	1	..	..	..
15	5	1	...	Stand. Chem.	65	6	6	5	5
9½	2½	.	...	Stand. Steel	75	2⅞	2⅞	2½	2½
35	30	3	10	Do. pref.	....	30	..	..	..
42½	21	1.75	7.6	Steel of Can.	1610	22	23	21⅛	23
37	28½	1.75	6	Do. pref.	275	29	29	29	29
4½	2½	.	...	Sterling Coal	....	2½	..	..	..
32½	12¾	1	6.2	Sup. Pet. ord.	715	16½	16	14	16
105	94	7	7.2	Do. pref.	20	97	97	97	97
31	14	1	6.7	Do. com.	45	18	16½	15	15
49	41	.	...	Tamblyn	....	49	..	..	..
106	95	7	7.1	Do. pref.	60	101	100	95	98
30	17	3.50	19.4	Thayers, pref.	....	17	..	..	..
13	6½	.	...	Tip Top Tailors	....	7	..	..	..
90	77	7	8.4	Do. pref.	....	83	..	..	..
22	10	.	...	Tooke Bros.	....	10	..	..	..
67	48½	.	...	Do. pref.	....	48½	..	..	..
15	9½	.	...	Tor. Elevators	....	11	..	..	..
235	210	12	5.6	Tor. Gen. Tr.	....	215	..	..	..
115	108	6	5.4	Toronto Mtge.	....	110	..	..	..
3	1	.	...	Traymore	....	1½	..	..	..
12½	7	.	...	Do. pref.	....	7	..	..	..
130	120	7	5.5	Tuckett Tob. p	....	128	..	..	..
17½	2½	.	...	Twin City	25	2½	4	4	4
b62	13¼	7	...	Do. pref.	....	..	..	..	..
45	28	.	...	Do. (notes)	....	35	..	..	..
16	4⅜	1	20	Union N. Gas.	793	5	5⅛	4⅜	5
101½	98	7+1	7.9	Union Trust	....	100½	..	..	..
8	3	.	...	United Fuel	....	6½	..	..	..
65	20	.	...	Do. pref.	....	20	..	..	..
62½	40	2	...	United Secs.	....	40	..	..	..
24¼	8¼	.	...	Viau Biscuit	30	9½	9½	9½	9½
85	70	7	10	Do. pref.	....	70	..	..	..
30	10	.	...	Wabasso Cot.	....	14	..	..	..
8⅝	2¾	25c	9.1	Walker-Good.	8630	2¾	2¾	2⅝	2¾
7⅞	2	.	...	Waterloo Mfg.	5	3⅜	2⅞	2⅞	2⅞
45	30	1	2.6	Weston Bisc.	....	38	..	..	..
90	79	7	8.9	Do. pref.	....	79	..	..	..
17½	6½	.	...	West. C. Flour	....	8	..	..	..
96	70	6.50	9.3	Do. pref.	....	70	..	..	..
17	10	.	...	West. Grocers	....	10	..	..	..
55	40	7	17.5	Do. pref.	1	42	40	40	40
91	85	.	...	W. Steel Pr. p.	....	91	..	..	..
x9	9	.	...	Whittall Can.	....	..	..	..	..
13	10	.	...	Windsor Hotel	....	12	..	..	..
73	71	6.50	9.1	Do. pref.	....	71	..	..	..
21½	4	.	...	Winnipeg Elec.	731	6	5⅛	5	5⅛
81½	49	.	...	Do. pref.	....	50	..	..	..
‡30	30	.	...	Woods Mfg.	....	..	..	..	..
40	36	.	...	Do. pref.	....	36	..	..	..
80	80	.	...	Wood, Alex, J.p	....	80	..	..	..
x2½	1½	.	...	Zimmerknit	....	..	..	..	..
7	7	.	...	Do. pref.	....	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of ½ of 1% monthly.
d 4% in stock and 50c cash.
† Plus stock bonus.

Winnipeg Stock Exchange

December 17, 1931

	Bid	Ask
Beaver Fire	..	115
Beaver Lumber c.	5⅝	..
Can. Amer. Tr. shs.	..	3⅛
Can. Fire Ins.	..	85
Can. Indemnity	120	..
Crescent Creamery pfd.	..	88
Gt. West Life	375	390
Home Investment	..	50
Monarch Life	..	32
Nor. Can. Mtge. pf.	15	..
Nor. Can. Mtge. c.	½	..
Northern Trust	..	24
Un. Gr. Growers	12¾	..
West Breweries	2	2½

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Telephone & Tel. "A"	...	$1+50c	Jan. 1/32	Dec. 17
Agnew Surpass pfd.	7%	1¾%	Jan. 2	Dec. 15
Anglo-Norwegian Hold., pref.	...	$3.50	Dec. 31	Dec. 24
Associated Breweries	60c	15c	Dec. 31	Dec. 15
Do., pref.	7%	1¾%	Jan. 1	Dec. 15
Bank of Nova Scotia	16%	4%	Jan. 2	Dec. 16
Bell Telephone	8%	2%	Jan. 15	Dec. 23
Brantford Cordage, pfd.	8%	2%	Jan. 15	Dec. 20
Brazilian Traction pfd.	6%	1½%	Jan. 2	Dec. 15
B. C. Power "A"	$2	50c	Jan. 15	Dec. 31
British American Oil	80c	20c	Jan. 2	Dec. 12
Brandram-Henderson pfd.	7%	1¾%	Jan. 2	Dec. 1
British Mortgage & Trust	12%	6%	Jan. 2	Dec. 19
Burt, F. N.	$3	75c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Building Products "A" and "B"	$2	50c.	Jan. 2	Dec. 22
B.C. Elec. Pr. & Gas pfd.	6%	1½%	Jan. 2	Dec. 17
Canada Dry	$1.20	30c	Jan. 15	Jan. 2
Canadian Car, c.	$1	25c	Feb. 29	Feb. 15
Canada Bread, 1st pref.	7%	1¾%	Jan. 2	Dec. 14
Calgary Power	6%	1½%	Jan. 2	Dec. 15
Canada Bud Breweries	$1	25c	Jan. 15	Dec. 31
Can. Fairbanks-Morse pfd.	6%	1½%	Jan. 15	Dec. 31
Canada Permanent Mtge.	12%	3%	Jan. 2	Dec. 15
Can. Cottons, pfd.	6%	1½%	Jan. 4	Dec. 19
Canada Cement, pref.	6½%	1⅝%	Dec. 31	Nov. 30
Canadian Oil, pref.	8%	2%	Jan. 1	Dec. 19
Can. Pacific Railway, ord.	5%	1¼%	Dec. 31	Dec. 1
Canada Northern Power	80c	20c	Jan. 25	Dec. 31
Do., pref.	7%	1¾%	Jan. 15	Dec. 31
Canada Trust	10%	5%	Jan. 2	Dec. 15
Can. Westinghouse	$2	50c.	Jan. 1	Dec. 21
Canadian Car, pref.	$1.75	44c	Jan. 11	Dec. 26
Can. Celanese, pref.	7%	1¾%	Dec. 31	Dec. 15
Central Canada Loan	12+2%	3+2%	Jan. 2	Dec. 15
Canadian Canners	20c	5c	Jan. 2	Dec. 15
Do., 1st pref.	6%	1½%	Jan. 2	Dec. 15
Do., convert. pfd.	68c	17c	Jan. 2	Dec. 15
Can. Wirebound Box	$1	25c	Jan. 1	Dec. 15
Can. General Electric	$4	$1	Jan. 1	Dec. 15
Do., pref.	7%	1¾%	Jan. 1	Dec. 15
Consumers Gas	10%	2½%	Jan. 2	Dec. 15
Chartered Trust	6%	1½%	Jan. 2	Dec. 24
Conduits, pref.	7%	1¾%	Jan. 1	Dec. 23
Consolidated Smelters	...	$1.25+5%†	Jan. 15	Dec. 23
Crescent Creamery, pfd.	7%	1¾%	Jan. 15	Dec. 31
Can. Bronze	$1.25	31¼c	Feb. 1	Jan. 20
Do., pref.	7%	1¾%	Feb. 1	Jan. 20
Canadian Dredge, pref.	7%	1¾%	Feb. 1	......
Cons. Bakeries	$1	25c	Jan. 2	Dec. 19
Cities Service c.	...	2½c+½% stk.	Jan. 2	Dec. 15
Can. Industries pfd.	7%	1¾%	Jan. 15	Dec. 31
Do., com.	...	62½c+$1	Jan. 30	Dec. 31
Can. Gen. Investments	60	15c	Jan. 2	Dec. 15
Dominion Tar, pref.	6½%	1⅝%	Feb. 1	Jan. 6
Dufferin Paving 1st pref.	$7	$1.75	Jan. 2	Dec. 23
Dominion Rubber pfd.	7%	1¾%	Dec. 31	Dec. 23
Dome Mines	$1	25c	Jan. 20	Dec. 31
Dominion Bank	12%	3%	Jan. 2	Dec. 19
Dominion Stores	$1.20+30	30+30c	Jan. 2	Dec. 15
Dominion Glass	5%	1¼%	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Dominion Textile	$5	$1.25	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 15	Dec. 31
Edmonton C. Dairy, pfd.	6½%	1⅝%	Jan. 2	Dec. 15
Eastern Theatres, pfd.	7%	3½%	Jan. 30	Dec. 31
Eastern Steel Prod. pfd.	$7	$1.75	Jan. 1	Dec. 15
Do., com.	...	50c	Jan. 2	Dec. 18
Eastern Can. Savings	$8	$2	Jan. 2	Dec. 19
Eastern Trust	$8	$2	Jan. 2	Dec. 20
Foreign Pr. Secs. pfd.	6%	1½%	Feb. 15	Jan. 31
Fanny Farmer	$1	25c	Dec. 31	Dec. 15
Do., pref.	$2.40	60c	Dec. 31	Dec. 15
First All Can. Trustee Shares, ord.	...	30c	Dec. 31	......
Foundation Co.	$1	25c	Feb. 15	Jan. 30
Famous Players	$2	50c	Dec. 26	Dec. 4
Freiman, A. J., pref.	6%	1½%	Jan. 2	Dec. 15
Goderich Elevator	$1.40	35c.	Jan. 1	Dec. 15
Goodyear Tire	$5	$1.25	Jan. 2	Dec. 15
Do., pfd.	7%	1¾%	Jan. 2	Dec. 15
Gould Pumps, pref.	7%	1¾%	Jan. 2	Dec. 19
Gurd, Charles	$2	50c	Jan. 1	Dec. 15
Do., pref.	$7	$1.75	Jan. 1	Dec. 15
Greening Wire, pfd.	7%	1¾%	Jan. 1	Dec. 15
General Trust, pfd.	6%	1½%	Jan. 2	Dec. 26
Guarantee of N. Amer.	...	3+5%	Jan. 15	Dec. 31
Granby Cons.	50c	12½c	Feb. 1	Jan. 15
Howe Sound	$2	50c	Jan. 15	Dec. 31
Hollinger Mines	...	5c	Dec. 31	Dec. 16
Honey Dew, pfd.	$7	$1.75	Jan. 2	Dec. 15
Holt Renfrew, pfd	7%	1¾%	Jan. 2	Dec. 28
Hunts "A" and "B"	$1.40	35c.	Jan. 2	Dec. 14
Hamilton Un. Theatres pfd.	7%	1¾%	Dec. 31	Nov. 30
Hamilton Bridge, pfd.	6½%	1⅝%	Feb. 1	Jan. 15
Huron & Erie Mtge.	8%	2%	Jan. 2	Dec. 15
Halifax Fire Insurance	$1.20	60c	Jan. 2	Dec. 10
International Nickel, c.	20c	5c	Dec. 31	Dec. 1
International Nickel, pref.	7%	1¾%	Feb. 1	Jan. 2
Imperial Tobacco, ord.	7%	1¾%	Dec. 31	Dec. 2
Inter. Utilities prior pfd.	$7	1¾%	Feb. 1	Jan. 15
Do., Series	$3.50	87½c	Feb. 1	Jan. 15
Do., pfd. 1931 Series	$1.75	43¾c	Jan. 15	Dec. 30
Imperial Bank	12%	3%	Feb. 1	Dec. 31
Inter. Hydro Elec. pfd.	$3.50	87½c	Jan. 15	Dec. 28
Do., Class "A"	$2	‡50c	Jan. 15	Dec. 28
Jamaica Pub. Service	$1	25c	Jan. 2	Dec. 18
Do., pref.	$7	$1.75	Jan. 2	Dec. 18
Loew's London, pref.	...	5½%	Dec. 31	Dec. 19
Landed Banking & Loan	8%	2%	Jan. 2	Dec. 15
MacKinnon Steel pref.	7%	1¾%	Feb. 1	Jan. 15
Montreal L. H. & Pr.	$1.50	38c	Jan. 31	Dec. 31
Montreal Telegraph	8%	2%	Jan. 15	Dec. 31
Mitchell, Robt.	$1	25c	Jan. 15	Dec. 31
Montreal Finance pfd.	...	$1	Jan. 2	Dec. 15
McColl Frontenac, pref.	$6	$1.50	Jan. 15	Dec. 31
Midland Loan & Savings	10+2%	5+2%	Jan. 2	Dec. 15
McLeod Oils	...	5c	Jan. 25	Jan. 5
Mitchell, J. S., pref.	7%	1¾%	Jan. 2	Dec. 16
Montreal C. & D. Bank	12+1%	3+1%	Jan. 2	Dec. 15
Montreal Tramways	$10	$2.50	Jan. 15	Jan. 7
Moore Corp.	$1	25c.	Jan. 2	Dec. 16
Do., pref. "A" and "B"	$7	$1.75	Jan. 2	Dec. 16
Monarch Mtge. & Inv., pfd.	8%	2%	Jan. 15	Dec. 31
Mackay Cos. pref.	$4	$1	Jan. 2	Dec. 18
National Steel Car	$2	50c	Jan. 2	Dec. 17
North Star Oil, pref.	7%	1¾%	Jan. 2	Dec. 15
Neon Prod. of West. Can., ord.	...	*25c	Dec. 21	Dec. 5
Noranda	...	50c	Dec. 29	Dec. 15
National Trust	14%	3½%	Jan. 2	Dec. 21
National Breweries	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$1.75	43c	Jan. 2	Dec. 15
Niagara Wire Weaving	$1	25c.	Jan. 2	Dec. 22
Do., pref.	$3	75c.	Jan. 2	Dec. 22
Northern Ont. Power	$2	50c	Jan. 25	Dec. 31
Do., pref.	6%	1½%	Jan. 25	Dec. 31
N. S. Light & Power, ord.	$4	$1	Jan. 2	Dec. 19
Ogilvie Flour, c.	$8	$2	Jan. 2	Dec. 23
Orange Crush "A" pref.	7%	1¾%	Jan. 1	Dec. 15
Ontario Loan & Deb.	12%	3%	Jan. 2	Dec. 15
Ottawa L. H. & Pr.	6%	1½%	Dec. 31	Dec. 15
Do., pref.	6½%	1⅝%	Jan. 1	Dec. 15
Page Hersey Tubes	$5	$1.25	Jan. 1	Dec. 15
Do., pref.	7%	1¾%	Jan. 1	Dec. 19
Porto Rico Pr., pfd.	7%	1¾%	Jan. 1	Dec. 19
Premier Gold Mines	12c	3c	Jan. 2	Dec. 15
Premier Trust	$5	$2.50	Jan. 4	Dec. 14
Provincial Paper, pfd.	7%	1¾%	Dec. 31	Dec. 24
Paramount Publix	stk. div.	2½%	Jan. 2	Dec. 15
Pioneer Gold, B.C.	12c	3c	Dec. 31	Dec. 4
Power Corp., pref.	6%	1½%	Jan. 2	Dec. 15
Do., non-cum. pfd.	6%	1½%	Jan. 15	Dec. 31
Price Bros. pref.	6½%	1⅝%	Jan. 15	Dec. 31
Power Corp., com.	$2	50c	Jan. 2	Dec. 15
Piggly Wiggly (Can.) pf.	$7	$3.50	Feb. 20	Jan. 30
Quebec Power	$2	50c	Jan. 9	Dec. 31
Real Estate Loan	7%	3½%	Jan. 15	Dec. 23
Riverside Silk Mills	$2	50c	Jan. 2	Dec. 18
Robinson Cons. Cone	$1.50	37½c	Jan. 2	Dec. 15
Standard Fuel, pfd.	6½%	1⅝%	Jan. 1	Dec. 15
Supersilk Hosiery pfd.	7%	3½%	Jan. 1	Dec. 15
South. Can. Power com.	$1	25c	Jan. 2	Dec. 24
South. Can. Power pref.	6%	1½%	Feb. 15	Jan. 30
Standard Steel, pref. "A"	$3	75c	Jan. 15	Dec. 19
Sterling Trust	6%	3%	Jan. 1	Dec. 15
Sherwin-Williams	$1.60	40c.	Dec. 31	Dec. 21
Do., pref.	7%	1¾%	Dec. 31	Dec. 15
Sylvanite Gold Mines	4%	2%	Dec. 31	Dec. 15
Sun Life Assurance	$25	$6.25	Dec. 31	Dec. 5
Supertest Pete. com. & ord.	$1	25c.	Jan. 1	Dec. 16
Do., pref. "A"	7%	1¾%	Jan. 2	Dec. 18
Do., pref. "B"	6%	1½%	Jan. 1	Dec. 18
Steel of Canada	7%	1¾%	Jan. 1	Dec. 18
Do., pref.	7%	1¾%	Feb. 1	Jan. 7
Shawinigan W. & Pr.	$2	50c	Feb. 1	Jan. 7
Tamblyn's pfd.	7%	1¾%	Jan. 11	Dec. 18
Tip Top Tailors, pref.	7%	1¾%	Jan. 1	Dec. 19
Toronto Mortgage	12%	3%	Jan. 2	Dec. 15
Toronto General Trusts	12%	3%	Jan. 1	Dec. 15
Twin City, pref.	$7	$1.75	Jan. 2	Dec. 12
Thayers, pref.	$3.50	87½c	Jan. 2	Dec. 12
Thrift Stores 1st pfd.	6½%	1⅝%	Jan. 2	Dec. 22
Do., 2nd pref.	7%	1¾%	Jan. 1	Dec. 20
Trusts & Guarantee	6%	3%	Jan. 1	Dec. 20
Tuckett Tobacco, pref.	7%	1¾%	Jan. 2	Dec. 20
Viau Biscuit, pref.	7%	1¾%	Jan. 15	Dec. 31
Viau Biscuit, 2nd pref.	7%	1¾%	Jan. 2	Dec. 23
Wright-Hargreaves	10+2½c	2½+2½c	Jan. 2	Dec. 23
Western Grocers, pref.	7%	1¾%	Jan. 1	Dec. 14
West Kootenay Pr. pfd.	7%	1¾%	Jan. 15	Dec. 20
Weston Bisc. c.	$1	25c	Jan. 2	Dec. 22
Western Assur.	80c	40c	Jan. 1	Dec. 20
Do., pref.	$2.40	$1.20	Jan. 2	Dec. 26

*Special dividend.
†Plus stock dividend of one share for every twenty shs. held.
‡Or payable in stock 1/50 of a share.

Dividends Passed or Deferred:

Can. Dredge, com., Feb. 1, passed. Last paid 75c., Nov. 2, 1931.

Gould Pumps, com., Jan. 2, passed. Last paid 1% Oct. 1, 1931.

Gypsum, Lime & Alabastine c. Jan. 1, passed. Last paid 10c. Oct. 1, 1931.

Price Bros. com. Jan. 2, passed. Last paid 25c. Oct. 1.

United Fuel Investments, pref., Jan. 1, passed. Last paid 1% Oct. 1, 1931.

Hudson's Bay, com. and pref., for year ending May 31, 1932, passed.

Hamilton Cotton pref., Jan. 1, deferred. Last paid 50c. Oct. 1, 1931.

Winnipeg Electric, pref., Jan. 1 deferred. Last paid 1¾% Oct. 1, 1931.

International Utilities "A" Jan. 15, deferred. Last paid 87½c. Oct. 15, 1931

Hydro Electric Securities Dec. 15 passed. Last paid 30c., Sept. 15, 1931.

Abitibi Power, 7% pref. passed Jan. 2. Last paid 1¾% Oct. 1, 1931.

Marcus Loew's pref. Jan. 15, passed. Last paid $3.50 July 15, 1931

Dividend Rate Reduced:

Canadian Canners, com., Jan. 2, 5c. Reduced from 50c. to 20c. per annum.

Do., convertible, pref. Jan. 2, 17c. Reduced from 80c. to 68c. per annum.

Dominion Glass, com., Jan. 2. Reduced from 1¾% to 1¼% quarterly.

Intercolonial Coal, c. 50c. Jan. 2 reduced from $2 to $1 per annum.

International Nickel, com., 5c. Dec. 31. Reduced from 10c. to 5c. quarterly.

Can. Bronze c. 31¼c. Feb. 1. Reduced from $2.50 to $1.25 per annum.

Montreal Finance $1 Jan. 2. Reduced from $2 last payment July 1, 1931.

Western Assurance, c. 40c. Jan. 2. Reduced from $1.60 to 80c. per annum.

Active Current Bond Prices

December 21, 1930

	Bid	Asked
Dominion of Canada 5½/33	99¾	100¼
Dominion of Canada 5½/34	98¾	99¼
Dominion of Canada 5/43	97.	98.
Dominion of Canada 4½/46	90.	91.
Dominion of Canada 4½/56	87½	88½
Dominion of Canada 4½/58	88¾	89¾
C. N. R. (Dom. of Can. Guar.) 5/54	92.	94.
C. N. R. (Dom. of Can. Guar.) 4½/51	90.	91.
C. N. R. (Dom. of Can. Guar.) 4½/55	91.	92½
C. N. R. (Dom. of Can. Guar.) 4½/56	87½	89.
C. N. R. (Dom. of Can. Guar.) 5/69	96.	97.
Province of Ontario 4½/44	90.	93.
Province of Ontario 5/48	94.	97.
Province of Ontario (Hydro) 4½/70	88.	90.
Province of Quebec 4½/56	90.	93.
Abitibi Power & Paper 5/53	36.	38½
Argentine Gov't. (Ser. B) 6/58	45.	47.
Beauharnois Power 6/59	58.	60.
Bell Telephone Co. of Canada 1st, 5/57	100.	105.
Brazil, U. S. of, Ext. S. F. 6½/57	16.	17.
British Columbia Power 5/60	78.	83.
British Columbia Power 5½/60	85.	89.
British Columbia Telephone 5/60	87.	93.
Calgary Power 5/60	78.	88.
Calgary Brewing 5/42	98.	102.
Canada Cement 1st Mtge. S. F. 5½/47	85.	90.
Canada Gypsum Lime & Alabastine 5½/48	65.	70.
Canada Northern Power Corp. 5/53	78.	85.
Canada Steamship Lines 1st & Gen. 6/41	30.	40.
C. P. R. Collateral Trust 5/54	80.	86.
C. P. R. Secured 4½/44 Notes	80.	85.
Chile Republic Ext. S. F. 6/60	11.	14.
Colombia Republic Ext. S. F. 6/61	19.50	20.50
Davies, Wm. 6/42	85.	90.
Dominion Canners 6/40	100.	104.
Dominion Square Corporation 6/48	60.	70.
Dominion Tar & Chemical 6/49	73.	77.
Dominion Textile 6/49	100.	105.
Duke Price Power 1st, 6/66	86.	94.
Eastern Dairies, Ltd., Conv. 6/49	88.	98.
Eaton, T. Realty 5/49	83.	88.
Famous Players 6/48	65.	75.
Federal Grain 6/49	60.	70.
Foreign Power Securities Corp. 6/49	65.	80.
Fraser Companies 6/50	35.	45.
Gatineau Power, 1st Mtge. 5/56	77.	81.
Gatineau Power, S. F. Debs., 6/41	68.	73.
General Steel Wares 6/52	30.	40.
Howard Smith Paper Mills 5½/53	58.	65.
Harris Abattoir 6/47	90.	[illegible]
Manitoba Power, 1st S. F. 5½/[illegible]	71.	76.
Maple Leaf Milling 5½/49	71.	78.
Massey-Harris, 1st Mtge. 5/47	66.	72.
MacLaren Quebec Power 5½/61	75.	85.
Montreal Coke, 1st S. F. 5½/47	92.	98.
Montreal Island Power 5½/57	87.	91.
Montreal Light, Heat & Power 5/51	99.	102.
Montreal Tramways, 1st Coll. Trust 5/41	90.	95.
Montreal Tramways Gen. Ref. 4½/55	70.	75.
Montreal Tramways 5/55	78.	82.
Moodie, J. R. 6/48	90.	95.
Ogilvie Flour Mills 6/32	99.	101.
Ontario Power Service 5½/50	57.	63.
Ottawa Valley Power 5½/70	87.	91.
Power Corporation of Canada 4½/59	65.	75.
Price Bros., 1st S. F. Ser. "A" 6/43	70.	75.
Quebec Power 1st Mtge. Coll. S. F. 5/68	90.	95.
Shawinigan Water & Power 4½/70	80.	83.
Shawinigan Water & Power 5/70	97.	100.
Simpsons 6/49	77.	85.
Southern Canada Power 1st, 5/55	93.	100.
United Securities Coll. Trust 5½/52	88	94
West Kootenay Power 5/56	86.	90.
Windsor Hotel 6½/43	94.	100.
Windsor Hotel 6/47	88.	94.
Winnipeg Electric 5/35	92.	100.
Winnipeg Electric 6/54	63.	70.

Listed Bond Quotations

Week Ending December 21

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range 1931 High
Abitibi, 1st mtge.	5	1953	14	39½	39½	36	78
Asbestos	5	1942	...	†65	...	...	100
Asbestos, 1st mtge.	6	1941	...	†14	14	...	20
Do., gen. mtge.	6	1956	...	14	...	...	9
Can. Cons. Rub.	6	1946	...	...	...	...	x102½
Can. Cottons	5	1940	6.48	...	...	...	91
Can. Forgings	6	1942	6	...	...	...	100
Can. Locomotive	6	1951	...	...	...	...	x96
Can. Pr. (La. Ser.)	5½	1958	...	†9	...	...	28½
Do. (Way. Ser.)	5½	1958	...	†9	...	...	28½
Can. S. S. deb.	5	1943	...	...	...	...	x98½
Cedars Rapids	5	1953	4.92	†100	101	...	105
Dom. Canners	6	1940	...	...	...	...	x103
Dom. Coal	5	1940	5.29	...	...	...	98½
McNish	6	1948	...	2.00	...	...	3.25
Mex. L. & Pr.	5	1940	10.05	...	...	...	73½
Mont. L. H. & P.	4½	1932	...	...	...	...	x100
Mont. Tr. 1st mtge.	5	1941	5.83	...	93½	...	101½
Mont. Tr. "A"	5	1955	6.80	†78	78½	...	95½
Mont. Tr. G. & R. "B"	5	1955	6.78	...	79	78½	95½
Do., "C"	4½	1955	5.64	...	...	...	85
Do., "D"	5	1955	6.88	...	78	...	95½
N. S. Steel	5	1959	...	...	...	...	62½
Ogilvie Flour "A"	6	1932	5.35	...	...	...	100
Do., "B"	6	1932	...	...	...	...	100
Do., "C"	6	1932	5.73	...	...	...	100½
Ont. Steel	6	1943	5.88	†100½	101	...	101
Porto R. Pr.	5	1936	7.95	...	...	...	93
Steel of Can.	6	1940	4.98	...	...	...	107½
Wayagamack	6	1951	...	41	...	...	75
West. K. Pr.	6	1940	5.15	...	...	...	106
Winn. Elec.	5	1935	5.12	91	...	...	99½
Toronto							
Canada Bread	6	1941	6	...	...	...	101½
Steel of Can.	6	1940	5.12	...	...	...	106½
Dominion Govt. Bonds (Montreal)							
War Loan	5	1937	3.92	105.00	104.50	104.10	108.15
Victory Loan	5½	1933	5.30	100.35	100.25	99.75	105.25
Do.	5½	1934	5.78	99.25	98.50	....	105.24
Do.	5½	1937	4.58	104.75	....	....	112.40
Do., refund	4½	1940	5.52	93.00	....	....	102.12
Do., refund	5	1943	5.20	98.25	....	....	106.50
Do., refund	4½	1944	5.43	91.00	....	....	102.25
Do., refund	4½	1946	5.41	91.00	89.00	....	102.45
Do., renewal	5½	1932	5.35	100.12	....	....	103.00
Conversion Loan	4½	1956	5.34	88.50	91.00	....	102.00
Do.	4½	1957	5.40	88.50	....	....	102.75
Do.	4½	1958	5.37	89.50	88.37	....	104.65
Do.	4½	1959	5.46	89.50	89.00	....	104.70
Nat. Service Loan	5	1936	5.46	98.00	97.25	....	98.85
Do.	5	1941	5.19	98.50	96.63	....	98.63

†Latest bid.
x—Quotations for 1930. None recorded in 1931 to date.

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co., Ltd., Canada Permanent Bldg., Toronto, Ont.

Provinces	Rate	Actual Maturity	Next Int. Date	Approx. Price
Alberta	4½	1 Oct., 1958	1 April	80.07
Alberta	5	1 July, 1943	1 Jan.	91.53
Alberta	6	1 Apr., 1936	1 April	99.80
British Columbia.	4½	1 Oct., 1953	1 April	84.69
British Columbia.	5	15 Jan., 1948	15 Jan.	92.08
British Columbia.	6	15 Aug., 1941	15 Feb.	101.50
Manitoba	4	1 July, 1947	1 Jan.	80.50
Manitoba	5	2 June, 1959	2 June	87.83
Manitoba	5	15 June, 1943	15 June	92.56
New Brunswick	4½	1 June, 1948	1 June	90.76
New Brunswick	4½	15 June, 1936	15 June	97.63
New Brunswick	6	1 Jan., 1936	1 Jan.	102.17
Nova Scotia	4½	15 Nov., 1948	15 May	90.59
Nova Scotia	5	1 May, 1943	1 May	97.02
Nova Scotia	6	1 Nov., 1936	1 May	102.38
Ontario	4½	1 Sep., 1944	1 Mar.	92.55
Ontario	5	15 Oct., 1948	15 April	96.67
Ontario	6	2 May, 1936	2 May	101.97
P. E. I.	4	1 Apr., 1939	1 April	90.88
P. E. I.	4½	1 Oct., 1944	1 April	90.80
Quebec	4½	1 May, 1961	1 May	86.42
Saskatchewan	4½	1 Oct., 1944	1 April	86.19
Saskatchewan	5	1 Oct., 1950	1 April	88.24
Saskatchewan	6	1 Feb., 1936	1 Feb.	93.61
Cities				
Montreal	5	1 Sep., 1963	1 Mar.	93.94
Toronto	4½	1 Sep., 1954	1 Mar.	88.23
Vancouver	4	1 Aug., 1946	1 Feb.	80.40
Winnipeg	5	1 Mar., 1944	1 Mar.	90.88
Edmonton	5½	1 May, 1945	1 May	88.63
Calgary	5	1 Jan., 1943	1 Jan.	85.80
Halifax	6	1 July, 1951	1 Jan.	103.80
Saint John	5	15 Dec., 1950	15 June	94.15
Regina	4½	1 July, 1950	1 Jan.	88.52
Victoria	5	21 July, 1945	21 Jan.	89.75
Quebec	5	1 June, 1948	1 June	98.35

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Dividends Declared (Continued)

Granby Consolidated 12½c. Feb. 1. Reduced from $2 to [illegible] per annum.

Canada Dry 30c. Jan. 15. Reduced from $3 to $1.20 per annum.

Can. Car, com., 25c. Feb. 29, reduced from $1.75 to $1 per annum.

Quebec Power, 50c. Jan. 15, reduced from $2.50 to $2 per annum.

Niagara Wire Weaving, c. 25c. Jan. 2, reduced from $1.50 to $1 per annum.

Extra Dividends:

Midland Loan & Savings, Jan. 2, 2%.

Dominion Stores, Jan. 2, 30 cents per share.

Wright Hargreaves, Jan. 2, 2½ cents per share.

Central Canada Loan & Savings, Jan. 2, 2% bonus.

Can. Industries, Jan. 30, $1 per share.

CANADA DRY CUTS ANNUAL DIVIDEND FROM $3 TO $1.20

If 1932 Earnings Permit May Pay Extras at End of Year

STOCK DROPS

Actual Experience Awaited by Traders — Syrup Revenue Yet Unascertained

Canada Dry Ginger Ale, Inc., common stock dropped to 12 as a result of the decision of directors to pay dividends at the annual rate of $1.20 a share instead of $3 a share. It had been dropping for a week before the announcement so that the decision to pay a smaller dividend did not fall on an unprepared market. Directors stated that earnings for the year ended September 30, 1931, had fully covered dividends but that it was felt better to declare a rate which they could feel reasonably certain of maintaining even though general business conditions and the situation within the industry did not improve.

In line with the new policy the directors declared a quarterly dividend of 30 cents a share, payable January 15, 1932, to stockholders of record at the close of business January 2, 1932. It was stated that when, as and if the better seasonal period of the industry arrived, the policy would be to pay extra dividends, if earnings improved, in accordance with such earnings, less reasonable reserves.

"Budgets very carefully prepared by your officers show that for 1931-32 profits will exceed the year just ended, providing unit sales are the same," said P. D. Saylor, president, in the course of his announcement to shareholders.

"Your directors, however, feel that while for the present moment it would appear that these unit sales can be reasonably anticipated, still, with increased taxation to be expected, continued unemployment, uncertainty of weather conditions during the coming season, they should take the ultra conservative position of making sure their present strong financial position is maintained. In so doing they believe they are working for the best interest of every shareholder."

Reduced Ginger Ale Prices

It is interesting to note in this connection that United States investment services such as Standard Statistics, advise liquidation of the share as a result of the reduction of the dividend, coupled with the action taken by the company in lowering selling prices of ginger ale in the New York metropolitan district. Standard Statistics modified its advice to some extent by saying that these actions were "constructive long term factors."

The reduction in price in New York City consisted of a change in the selling price of the large 28-ounce container from 25 cents straight to 20 cents plus a five-cents deposit on the bottle and of the smaller container to two for 25 cents and two cents back on each bottle. This should benefit sales volume but United States commentators prefer to await the results before trying to guess what earnings will be under the new system. There may be a distinct improvement in a favorable season but it is felt that share values will await the actual evidence of such a trend first.

Immediate Future Uncertain

The United States observers may be too conservative in this instance. It is understood in Canada that a similar reduction in the Dominion gave the company a sufficient profit, while improving business. The company can drop very materially in volume of sales, The Financial Post is authoritatively informed, and still earn more than the new dividend rate. In spite of that, however, directors felt that conservative action should be taken because of the uncertainty of the immediate future.

The expectations of the directors, that the new dividend rate can be earned with a good surplus, have not taken into consideration at all the new soda fountain syrup. This is as yet in the development stage and the earnings may be substantial but the public alone will decide what the returns will be.

Net current assets have been maintained; in other words, the company is as strong now as it was a year ago. The uncertain quantity is the amount of ginger ale which the public will consume in 1932. The total may be up or down but consuming habits do not change overnight, and the hope is that the volume will be fair. Much will depend on the length and character of next summer.

FORD OF CANADA 1932 PROSPECTS LINKED WITH "8"

Detroit Reports State Plan Suddenly Switched from Making Fours

In spite of the fact that Ford Co. of Canada has passed its dividends on the Classes "A" and "B" stocks, speculative interest is maintained in the prospects of these stocks in 1932 and 1933. The background of successful solution of great difficulties at times in the past and the high returns which over a long period have come to those who stayed with this stock, make a large number of people feel that the present low price of the stock, as measured by 1929 prices, may prove to have been a real opportunity for speculators.

There is, however, an absence of definite data on which to peg these hopes at the moment and the stock dropped to 11 because of conflicting reports. The falling off of production in 1931 is known to have been severe and the actual definite announcement of new cars are still to be given. Rumors in Detroit with reference to the plans of the parent company become stronger with every day that a Ford eight-cylinder car may be offered in the near future. Actual work had begun on a four-cylinder "vibrationless" car, but it is understood that that type was abandoned suddenly for the time being and that instead a "V-8" model has been chosen for the Ford 1932 offering.

Because of the change of plans it is said that automobile shows may not see the new cars but enough will be ready, it is predicted, in strategic locations to awaken interest of new buyers early in January. If that is the case, similar activities may be expected from Ford of Canada. It is freely predicted that if Ford puts a line of V-8 cars in the market a line of Chevrolet eights may follow quickly even though the new Chevrolet is already in the market. There are lots to interest investors therefore in the near future but no certainties to cling to. It is not expected that there will be anything better than a fair demand for automobiles, however attractive may be the offerings, until business confidence becomes a little stronger. There has been a better feeling in recent weeks, but the growth is as yet too frail to proceed far without news of a constructive nature. Manufacturers are evidently preparing, however, to make a stronger bid for whatever business is offering and the experience of General Motors in 1931 gives hope that business need not be altogether profitless for others as well in 1932.

DE HAVILLAND FAILS TO EARN DIVIDENDS PAID

Current Position Remains Strong; Prospects Are Good

Net profit of $656 is reported for de Haviland Aircraft of Canada, Ltd. in the year ended September 30, 1931, after full provision for depreciation, setting up reserves for bad accounts and writing down inventory to provide for obsolescence. This compares with net profit of $18,021 reported in 1930 and $85,238 in 1929

The directors consider the results of the year as satisfactory in view of the depressed economic conditions existing. Sales of new aircraft again showed a falling off from the previous year but the new Puss Moth model is stated to have been well received and offers future sales possibilities. With additional Moth machines being sold in Canada the replacements and reconditioning are stated to provide a considerable volume of steady business for the company. The business for the first two months of the current year is stated to show an increase over the same period in 1930.

Details of income and surplus account are as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended Sept. 30

	1931	1930	1929
Net profit*	$ 656	$18,021	$85,238
Less: Disc. on shs.	...	7,500	7,500
Organ. exp.	...	...	298
Inc. tax res.	...	1,600	6,873
	656	8,921	70,567
Less: Pfd. divd. ..	10,500	21,000	10,500
Surplus for year..	†9,844	†12,079	60,067
Add: Prev. surplus	44,976	60,067	...
Adjustments	...	3,238	...
Less: Adjustments	614	...	...
Cl. A com. divds.‡	...	6,250	...
Balance forward .	34,518	44,976	60,067

*After providing for depreciation but before income tax.

†Deficit. ‡Paid out of surplus earnings of the 1929 fiscal period.

Assets-Liabilities Ratio Higher

Current assets of the company at $257,351 compare with $309,082 in 1930 cash being down to $10,861 from $35,533 and a call loan of $50,000, shown in 1930, no longer present. Accounts receivable at $33,848, after reserve of $1,500, compare with $57,795 in 1930. Inventories are up to $171,575 from $162,369 and the company had investments in bonds carried at $37,062 but which had a market value of $34,737. Current liabilities total $14,690 against $50,049 in 1930 and the ratio of current assets to current liabilities at September 30, 1931, was 17.5 to 1 as compared with 5.1 to 1 in 1930.

GYPSUM, CANADA OMITS PAYMENT CAPITAL STOCK

Preceded by Two Cuts During Current Year

From Our Own Correspondent

MONTREAL.—Culminating a series of reductions in common stock dividends, announcement is made by Gypsum, Lime and Alabastine, Canada, that the disbursement usually payable on January 1 will be omitted. The last payment on the common was made on Oct. 5 when a quarterly dividend of 10 cents a share was distributed.

Action of the directors in suspending disbursements on the common was not unforeseen. Some doubt existed whether the October payment would be made; as it was, the disbursement represented a 50 per cent cut from the previous one.

Sales Have Fallen Off

Sales have fallen away considerably this year as a reflection of the decline in constructional activity while export shipments have recently been hampered badly by the exchange situation. In September it was reported that sales were down by about 18 per cent; it is likely that this figure may show a greater drop by the end of the year.

National Cement Co. Will Distribute Assets

From Our Own Correspondent

MONTREAL. — Directors of the National Cement Co. have adopted a by-law providing for the distribution of the capital assets of the company. It will be recalled that a notice was sent out recently to bondholders calling a meeting to discuss and approve of this move.

National Cement Co. came into being about seven years ago, when a plant was established in Montreal East for the manufacture of Portland cement. In 1925 control was acquired by Alf. Rogers, of Toronto, who in turn sold out to Canada Cement Co.

C.P.P.A. Woodlands Section Meet at End of January

From Our Own Correspondent

MONTREAL.—Annual meeting of the Woodlands Section of the Canadian Pulp and Paper Association has been called for January 27 and 28 next at the head office of the association. There will be a closed meeting on the first day of the convention, while the second day will be an open meeting. A tentative list of subjects to be discussed has been drawn up.

BELDING OUTLOOK AIDED BY ENDING OF FRENCH PACT

Company May Receive More Protection in Future

From Our Own Correspondent

MONTREAL. — Termination on June 16, 1932, of the trade treaty signed in 1922 between Canada and France, is seen as a constructive factor in the outlook for Belding-Corticelli Ltd. The company is one of the leading manufacturers in Canada of silk threads, ribbons and various other silk lines; keen competition has been experienced from French imports.

Under the terms of the treaty, fixed rates of duty prevailed on many commodities including those which affected Belding-Corticelli. Though the textile industry as a whole received large benefits from additional protection last year, the government's hands were tied by the treaty as far as alteration of certain duties were concerned.

May Secure Protection

With the conclusion of the pact it may be expected that certain changes will be made in existing tariffs and Belding-Corticelli, together with other manufacturers who have been affected by the French treaty, may receive protection on certain lines which has hitherto been denied.

Reference was made to the situation by A. O. Dawson, president of Belding-Corticelli, at the last annual meeting of shareholders. He pointed out that paradoxically the tariff changes made in the last budget adversely affected the company as duties were placed on raw materials without any increased protection on Belding's finished products; at that time he confidently looked forward to the matter being rectified at the next session of parliament.

Some of the fixed rates included in the treaty were a duty of 27½ per cent on all embroidered goods and 25 per cent on ribbons, both of which constitute important products of Belding-Corticelli. There was a double edge to this fixed duty for a clause in the blanket legislation of the Canadian Parliament laid down that whatever special or fixed rates were afforded by Canada to a foreign country those rates would automatically be accorded to the United Kingdom. Consequently the government has been powerless to check the inflow of goods from that source as well when they came under the terms of the French treaty.

Canadian Quotations—Cont'd

Foreign Exchange

	New York Funds High (Premium)	New York Funds Low	Last Year High (Premium)	Last Year Low
December 16	24 5-8	23 1-2	3-16	11-64
December 17	22	20	3-16	11-64
December 18	24 1-4	22	11-64	5-32
December 19	23 3-4	23 1-4	3-16	11-64
December 21	24 1-4	23 1-2	11-64	11-64
December 22	23 7-8	22	11-64	11-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
December 16	3.46	3.92 11-16	5.12 3-4
December 17	3.44	3.92 7-8	5.10 3-4
December 18	3.34	3.91 3-4	5.08 3-4
December 19	3.39 1-2	3.93 9-16	5.07 1-2
December 21	3.38 1-4	3.93 3-8	5.09 3-4
December 22	3.40 1-4	3.93 3-8	5.10 1-4

FOREIGN EXCHANGE

Par		Dec. 8	Dec. 15	Dec. 22
5.26	Italian	6.14¾	6.38¾	6.21¾
23.80	German	28.11½	29.72½	28.98¾
13.90	Belgian	16.66	17.30	16.98
49.80	Japanese	59.66	53.59	49.41

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week of December 22

High to date†	Low to date†		Close Dec. 15	High for week	Low for week	Close Dec. 22
		Wheat				
.70½	.48	Dec.	.50	.49	.48	.49
.72	.53¾	May	.56⅞	.57½	.53¾	.54½
.60⅝	.53¾	July	.57½	.56½	.53¾	.54½

†Since trading opened March 3.

Winnipeg Grain Prices

Week to December 22

Crop Year from Aug. 14 High	Crop Year from Aug. 14 Low		Open Dec. 16	High for week	Low for week	Close Dec. 22
		Wheat				
72¾	.51½	Dec.	.61½	.62½	.57½	.58½
.76½	.55½	May	.66	.66	.61½	.62
.77½	.61½	July	.67	.67	.62	.62⅞
		Oats				
.36½	.25½	Dec.	.31½	.31½	.28½	.28½
.38	.28	May	.34½	.34½	.30½	.31½
.37½	.31½	July	....	.34½	.31½	.31½
		Barley				
.45½	.28½	Dec.	.38	.40½	.38½	.38½
.47½	.32½	May	.47½	.42	.40	.40½
.45½	.38½	July	.41½	.41½	.39½	.39½
		Flax				
1.27	.92½	Dec.	1.01	1.01½	.97½	.98½
1.21	.97½	May	1.06	1.06½	1.01½	1.02½
1,16½	1.00½	July	1.07	1.07½	1.01½	1.02½
		Rye				
.56	.32½	Dec.	.44½	.45½	.41½	.42½
.59½	.32½	May	.48½	.48½	.44½	.45½
,59	.43½	July	.49½	.49½	.45	.45½

Mining Stock Quotations

Week Ending December 21

Par Val.	Range 1931 High	Range 1931 Low	Company	Sales	Close Dec. 14 (or last)	High for week	Low for week	Close Dec. 21
1	.23	.02½	Abana..........	1,805	.04	.05	.04	.05
1	.03	.01	Aconda..........	2,000	.01	.01½	.01½	.01½
1	.05½	.03½	Adrien..........	......	.04⅞	.....	.....	.....
No	.50	.12	Aldermac..........	......	.25	.....	.....	.....
1	.20½	.06½	Alexandria..........	11,000	.06½	.12	.06½	.08½
1	.05	.00¾	Algonquin..........	11,000	.00¾	.00⅞	.00¾	.00¾
1	.02½	.01	Amity C..........	12,500	.01¼	.01¼	.01	.01¼
No	.45	.12	Amulet..........	11,708	.18	.22	.16½	.22
1	.02½	.00¾	Apex..........	......	.00⅞	.....	.....	.....
1	.05	.01	Area..........	......	.01½	.....	.....	.....
1	.01	.00½	Argo. Cons..........	......	.01	.....	.....	.....
No	.08½	.01¼	Arno..........	21,600	.01¾	.02	.02	.02
1	.01½	.01	Astoria..........	......	.01	.....	.....	.....
1	.02	.00½	Atlas..........	......	.00½	.....	.....	.....
1	.08½	.03	Bagamac..........	13,600	.03½	.04½	.03½	.03½
1	.02½	.00¾	Baldwin..........	......	.00½	.....	.....	.....
1	.19½	.08	Barry Hollinger..	16,800	.08½	.09	.08	.09
No	1.45	.75	Base Metals.....	750	.90	.95	.90	.95
No	.04	.00½	Bathurst..........	......	.03	.....	.....	.....
5s	1.75	.60	B'Wana McKubwa	......	1.00	.....	.....	.....
1	.28	.26	Ben Nevis..........	......	.27	.....	.....	.....
No	.37½	.11	Bidgood..........	69,040	.11½	.13½	.11	.11
1	.50	.08	Big Missouri.....	9,800	.13	.16	.13	.15
1	.05½	.04½	Blue Quartz.....	......	.04½	.....	.....	.....
1	.12	.01½	Bobjo..........	37,500	.02½	.02½	.02	.02
No	.01	.00½	Boischatel..........	......	.01	.....	.....	.....
1	.12	.01	Brett Trethewey.	1,000	.08	.07	.07	.07
1	.03	.03	Brit. Canadian...	......	.03	.....	.....	.....
No	.12	.02½	Brownlee..........	19,700	.02½	.03½	.02½	.03½
1	.02	.00½	Buckingham..........	......	.00½	.....	.....	.....
No	.30	.19	Buffalo Can......	15,400	.24½	.25	.23	.23½
No	.08½	.02	Bunker Hill......	6,000	.02½	.02	.02	.02
No	.03	.01	Cal. Flin Flon....	......	.01	.....	.....	.....
1	.04	.01	Cambro Kirk.....	......	.04	.....	.....	.....
No	.05½	.02	Canam Metals...	......	.02	.....	.....	.....
1	.06½	.01	Can. Kirkland...	29,500	.02	.02½	.01½	.02
1	.02	.02	Can. Lorraine....	......	.02	.....	.....	.....
1	.32½	.06½	Canusa..........	29,700	.08	.10	.06½	.07
1	.04½	.00½	Capital Rouyn...	54,500	.01½	.02	.01½	.01½
1	.30	.15	Castle Trethewey	17,100	.18	.17½	.15	.16
1	.23	.03	Cen. Manitoba...	3,300	.07	.07	.07	.07
1	.17	.05	Cen. Patricia....	50	.07	.06	.06	.06
1	.03	.01½	Champion R......	......	.02½	.....	.....	.....
No	.59	.02	Chib. Prospect..	18,500	.09	.08	.07	.07
No	.08	.00½	Clericy..........	5,500	.01½	.01½	.01½	.01½
5	10.50	2.50	Coast Copper....	1,495	3.00	3.10	2.50	3.10
1	.05½	.01	Cobalt Contact..	50,450	.02	.03	.01½	.01½
1	.02	.00½	Col. Kirkland....	......	.01½	.....	.....	.....
1	.39	.05	Columario..........	5,000	.07½	.07	.06½	.06½
5	1.50	.50	Coniagas..........	......	1.00	.....	.....	.....
No	.62	.25	Coniaurum..........	......	.30	.....	.....	.....
25	188.25	64.00	Cons. Smelters...	2,550	68.50	75.25	66.00	71.00
1	.40	.15	Cons. Venus.....	......	.40	.....	.....	.....
1	.01	.00½	Corona..........	......	.00½	.....	.....	.....
1	.02½	.00½	Crown Reserve....	......	.01	.....	.....	.....
No	.21	.03	Dom. Explorers..	14,700	.06½	.06½	.06	.06½
1	.03	.00½	Dom. Kirkland...	......	.00½	.....	.....	.....
No	13.40	8.00	Dome Mines.....	5,995	9.05	10.00	9.00	9.50
1	.01	.00½	Don Rouyn.....	......	.01	.....	.....	.....
No	.33	.30	Donald Woolsey.	......	.30	.....	.....	.....
1	.01	.00½	Dunkin..........	......	.00½	.....	.....	.....
1	.02½	.00½	Duprat..........	......	.01½	.....	.....	.....
1	1.68	.20	Eldorado..........	24,100	.95	.91	.85	.88
No	1.70	.90	Falconbridge.....	3,230	1.00	1.10	1.00	1.10
1	.08½	.02	Federal..........	12,500	.04½	.04½	.03½	.04
No	.01½	.00½	Flintoba..........	......	.00½	.....	.....	.....
No	.30	.06	Gem Lake..........	2,000	.08½	.08½	.08	.08
No	.04½	.01½	Gilbec..........	......	.02	.....	.....	.....
1	.08	.02	Goldale..........	800	.02½	.02½	.02	.02
10	.25	.08	Goldfield..........	500	.15	.11	.11	.11
1	.01½	.00½	Gold Hill..........	9,000	.00½	.00½	.00½	.00½
1	.11	.02½	Goodfish..........	2,000	.04	.03	.03	.03
1	.04	.00½	Graham..........	......	.01	.....	.....	.....
No	2.30	1.10	Granada..........	17,955	1.15	1.17	1.10	1.11
1	.15½	.06	Grozelle..........	16,500	.14	.15½	.15	.15
1	.03	.01	Harker..........	3,000	.01½	.02	.02	.02
	.39	.31	Harvey..........	......	.35	.....	.....	.....
1	.08½	.07½	Hayden..........	......	.08	.....	.....	.....
No	.30	.29	Halliwell..........	......	.28	.....	.....	.....
1	.05	.00½	Hilltop..........	28,000	.01½	.01½	.01½	.01½
5	8.70	4.60	Hollinger..........	12,455	5.25	5.30	5.10	5.20
1	.40	.20	Howey Gold.....	10,850	.32	.32	.31	.32
No	6.30	2.00	Hudson Bay......	7,215	2.80	3.40	2.69	2.80
No	.40	.20	Huronian..........	......	.20	.....	.....	.....
No	20.50	8.12	Int. Nickel......	29,885	9.00	10.75	8.62	10.00
1	.03	.00½	Jackson Manion..	21,500	.01½	.01½	.01	.01½
1	.35	.21	Keeley..........	3,800	.25	.30	.28	.28
1	.04½	.00½	Keora M..........	64,200	.01	.03	.01	.02
1	1.00	.27½	Kirk. Hud. Bay..	100	.85	.76½	.76½	.76½
1	.03	.00¾	Kirk. Hunton....	26,500	.01	.01½	.01½	.01½
1	.93	.38	Kirkland Lake...	37,885	.40	.52	.38	.52
1	.08	.01	Kirk. Premier....	3,500	.01½	.01½	.01½	.01½
1	.25	.05½	Kirk. Townsite...	8,100	.14	.13½	.12	.13
20c	.02½	.00½	Koot. Florence...	5,500	.00½	.01	.01	.01
1	.02	.00½	La Rose..........	......	.01	.....	.....	.....
1	.69	.38	Lakeland..........	......	.45	.....	.....	.....
1	29.95	20.00	Lake Shore......	6,412	26.50	27.50	26.00	26.70
1	.02	.00½	Laval..........	......	.00½	.....	.....	.....
1	.04	.01½	Lebel Oro..........	......	.02	.....	.....	.....
	.35	.35	Locarno..........	......	.35	.....	.....	.....
1	.55	.10	Macassa..........	18,900	.40	.40	.35	.38
1	.12	.02	Malartic..........	5,400	.03½	.03½	.03	.03
No	.15	.06	Mandy..........	300	.07	.08	.08	.08
No	.06	.01	Manitoba Basin..	5,000	.01½	.01½	.01½	.01½
1	.55	.20	McKinley..........	......	.35	.....	.....	.....
5	26.50	13.95	McIntyre..........	2,470	17.25	18.00	16.55	16.55
No	.33	.06	McLeod River....	50,400	.08	.08½	.06½	.06½
1	.04	.04	McVittie..........	......	.04	.....	.....	.....
1	.29	.03	MacMillan..........	......	.10	.....	.....	.....
1	.01½	.00½	Millcrest..........	......	.01	.....	.....	.....
No	2.84	1.10	Mining Corp......	4,665	1.25	1.35	1.10	1.35
1	.34	.01	Moffatt Hall.....	268,000	.09½	.09½	.07½	.07½
1	.04	.02½	Moneta..........	7,500	.03	.03	.03	.03
1	.00½	.00½	Mtl. Rouyn......	......	.00½	.....	.....	.....
1	.63	.20	Moss..........	40,750	.27	.33	.25	.33
1	.09	.01	Murphy..........	5,000	.02	.02	.01½	.01½
No	.07½	.02	Newbec..........	1,500	.03	.03	.03	.03
1	.40	.25	Nevada..........	......	.25	.....	.....	.....
1	.09	.02	Night Hawk.....	500	.03	.02	.02	.02
5	1.90	.89	Nipissing..........	3,025	1.11	1.15	1.10	1.15
No	29.65	11.75	Noranda..........	34,321	15.25	16.85	14.00	15.75
No	.50	.18	Nor. Canada.....	5,500	.18	.22½	.18½	.22
No	.03	.00½	Old Colony......	3,000	.00½	.01½	.00½	.00½
1	.01	.00½	Ophir..........	......	.00½	.....	.....	.....
1	.10½	.02½	Oriole..........	......	.02½	.....	.....	.....
1	.21	.07	Osisko..........	500	.10	.07½	.07½	.07½
1	.25	.20	Parkhill..........	......	.24	.....	.....	.....
1	.15	.07	Patricia Dent....	6,000	.11	.11½	.11½	.11½
1	.05	.01½	Pawnee Kirk.....	......	.02	.....	.....	.....
No	1.61	.60	Pend Oreille.....	1,100	.90	.86	.85	.85
1	.04½	.00½	Pete. Cobalt.....	......	.01½	.....	.....	.....
	.25	.18½	Phoenix Molybd..	......	.25	.....	.....	.....
1	.01½	.00½	Picard..........	......	.00½	.....	.....	.....
1	.02½	.00½	Porc. Crown......	......	.00½	.....	.....	.....
1	.03	.00½	Potter Doal......	24,500	.02	.01½	.01	.01½
1	.45	.30	Powell Rouyn....	......	.30	.....	.....	.....
1	.99	.40	Premier Gold....	14,600	.60	.62	.58	.59
1	.02½	.00	Preston E. Dome.	......	.00½	.....	.....	.....
No	.29	.15	Prospectors Air's.	1,100	.22	.25	.15	.15
No	.25	.07	Quemont..........	500	.10	.10	.10	.10
1	.06	.00½	Ribago..........	55,000	.01½	.01½	.01	.01½
1	.34	.24	Rich. Rock......	......	.33	.....	.....	.....
1	.15	.01½	Ritchie..........	102,500	.02	.02	.01½	.01½
1	.04	.00½	Robb Montbray..	......	.01½	.....	.....	.....
1	.05	.04	Rubec..........	......	.04	.....	.....	.....
No	.45	.25	San Antonio.....	300	.40	.35	.30	.35
1	.21	.10	Seven Troughs...	......	.10	.....	.....	.....
1	1.25	.40	Sherritt Gordon..	17,246	.58	.67	.58	.65
1	.71	.36	Siscoe..........	81,104	.46	.57	.46	.51
1	.18	.02	South Keora.....	2,500	.03½	.03	.02½	.03
No	.05	.01	Stadacona......	7,500	.01½	.01½	.01½	.01½
1	.20	.03½	St. Anthony.....	500	.10	.09	.09	.09
No	.82	.35	Sudbury Basin...	4,800	.38	.44	.35	.44
1	.03	.01	Sudbury Contact.	......	.01½	.....	.....	.....
1	.03½	.00½	Sudbury Mines...	15,000	.00½	.00½	.00½	.00½
No	.04½	.01	Sudbury Nickel..	......	.03½	.....	.....	.....
1	.19	.07	Sullivan..........	7,900	.10	.12½	.10	.10
1	1.14	.48	Sylvanite..........	10,950	.57	.61	.56	.60
1	.20½	.04	Tashota..........	2,000	.07	.07	.06½	.07
1	8.65	4.51	Teck Hughes....	49,029	4.80	4.95	4.51	4.84
1	.10½	.01	Telluride..........	......	.01	.....	.....	.....
1	.01½	.01	Temiskaming....	......	.01½	.....	.....	.....
1	.06½	.02½	Thom. Cadillac..	......	.02½	.....	.....	.....
1	.02½	.00½	Tough Oakes.....	......	.01	.....	.....	.....
1	.63	.17	Towagmac........	200	.25	.35	.35	.35
No	2.65	.90	Treadwell........	200	1.00	1.01	.90	.90
No	2.85	2.40	Tri-Metals........	......	2.85	.....	.....	.....
1	.15	.04	United Kirkland.	1,000	.08	.08	.08	.08
1	.03	.01	Vacuum Gas.....	500	.01	.01	.01	.01
No	.86	.35½	Ventures..........	34,800	.43	.50	.42	.48
1	.19	.01½	Vickers..........	2,500	.15	.14½	.12	.13
1	1.22	.37	Vipond..........	8,300	.40	.48	.40	.43
No	2.00	.90	Waite Ackerman.	500	1.00	1.00	1.00	1.00
1	.02½	.01	West Tree.......	......	.01	.....	.....	.....
1	.27	.03½	White Lake......	3,600	.04½	.04½	.04½	.04½
1	.06	.01½	Wiltsey..........	......	.01½	.....	.....	.....
No	.01½	.00½	Windfall R......	......	.01	.....	.....	.....
	.13	.03½	Wood Kirk.......	......	.04	.....	.....	.....
No	3.25	1.85	Wright-Hargreaves	33,475	2.70	2.85	2.62	2.72
			WESTERN OIL STOCKS					
1	.30	.12	Acme..........	28,100	.13	.15	.12½	.14
1	.37½	.05	Alta. Pacific.....	7,250	.14	.13	.10	.10
1	.08	.07	Amalgamated....	......	.08	.....	.....	.....
	.01	.01	Askalta..........	......	.01	.....	.....	.....
No	.25	.04	Associated......	200	.07	.08	.08	.08
1	1.89	1.00	Ajax..........	9,900	1.02	1.08	1.00	1.05
No	.12	.02	Baltac..........	......	.03	.....	.....	.....
1	.07	.02	Black Diamond..	......	.02	.....	.....	.....
1	.36	.05	Brit. Dominion...	......	.05	.....	.....	.....
	.32	.03	Calmont..........	100	.06	.07	.07	.07
No	.82	.20	Calgary & Ed....	......	.36	.....	.....	.....
1	.47	.06	Comm. Pete......	......	.10	.....	.....	.....
No	.29½	.26½	Crudome..........	......	.28½	.....	.....	.....
No	.60	.12	Dalhousie........	200	.20	.20	.17	.20
No	.08	.01½	Devenish.........	......	.01½	.....	.....	.....
No	.12	.01½	Dome Oil.........	100	.02½	.02	.02	.02
No	.69	.05	East Crest.......	1,600	.12½	.11	.10½	.10½
1	.05	.00½	Fabyan Pete.....	1,000	.03	.01½	.01½	.01½
No	.60	.05	Foothills.........	100	.10	.07	.07	.07
No	.18½	.02	Freehold.........	......	.04½	.....	.....	.....
1	.02	.00½	Great West......	......	.00½	.....	.....	.....
No	.17	.03	Hargal..........	......	.03½	.....	.....	.....
No	.10	.03	Herron Pete.....	......	.03½	.....	.....	.....
No	.07½	.02	High Sarcee.....	......	.05	.....	.....	.....
No	2.00	.30	Home..........	475	.40	.44	.40	.40
No	.22	.02½	Homestead......	......	.04½	.....	.....	.....
1	1.70	.35	Homest'd O. & G.	3,700	.45	.45	.40	.45
	.10	.09	Hylo..........	......	.09	.....	.....	.....
1	.08½	.00½	Illinois Alta.....	10,000	.00½	.00½	.00½	.00½
No	.70	.10½	Lowery..........	......	.18	.....	.....	.....
1	.05	.00½	Madison..........	1,900	.01½	.01½	.01½	.01½
1	.85	.12	Mayland..........	600	.16	.15	.15	.15
No	.11	.02½	McD. Segur Ex...	1,300	.03½	.03½	.03½	.03½
1	.29	.01½	McD. Segur N...	......	.04	.....	.....	.....
1	.72½	.25	McLeod..........	610	.50	.50	.48	.48
No	.39	.07½	Mercury..........	6,505	.08½	.11	.08½	.11
No	.20	.04	Merland..........	......	.08½	.....	.....	.....
No	.38	.08	Mill City Pete...	......	.11	.....	.....	.....
1	.49	.11	Model..........	300	.17	.13	.13	.13
1	.18	.02	Monalta..........	......	.07	.....	.....	.....
1	.31	.05	Moose Mountain.	300	.05	.05	.05	.05
1	.04	.00½	New Federal.....	......	.00½	.....	.....	.....
No	.56	.12	Nordon..........	66,350	.15	.16	.12	.12½
No	.11	.02	Oil Selection.....	2,300	.03½	.03½	.03½	.03½
No	.28	.03	Okalta..........	500	.05½	.05	.05	.05
100	27.00	8.00	Do., Pref.......	......	9.00	.....	.....	.....
No	.24	.05	Olga Gas & Oil...	8,400	.16½	.17	.15	.17
1	.37½	.17	Petrol..........	600	.21	.21	.21	.21
No	.28	.01	Penn. Pete......	7,000	.01½	.01½	.01½	.01½
No	.25	.07	Ranchmen's......	500	.09	.09	.09	.09
1	.05	.01	Regent..........	1,000	.01	.01	.01	.01
No	.13	.01½	Richfield........	......	.02½	.....	.....	.....
No	17.75	5.00	Royalite..........	245	6.00	6.25	6.00	6.25
1	.82	.10	Sarnia Oil.......	3,500	.17	.13	.12	.12
1	.06½	.04	Signal Hill......	600	.03	.03	.03	.03
No	.27	.06	South West Pete.	......	.05	.....	.....	.....
1	.60	.12	Spooner..........	......	.18	.....	.....	.....
No	.19	.04½	Sterling Pacific...	1,400	.09	.08	.07	.07
	.15	.15	Turner Basin....	......	.15	.....	.....	.....
1	.16	.05	Turner Valley....	100	.05	.10	.10	.10
No	.31	.05	United..........	3,450	.07½	.08	.06½	.08
1	.15½	.05	Vulcan..........	100	.12	.10	.10	.10
No	.05	.00½	Wainwell........	......	.00½	.....	.....	.....
1	.28	.08	Waite Valley.....	......	.08½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to December 16)					
25c	.01	.00½	Bayview..........	......	.00½	.....	.....	.....
20c	.07½	.01	Beaver Silver....	2,500	.03½	.05	.05	.05
25c	.06	.00½	Bluebird..........	......	.04	.....	.....	.....
25c	.80	.40	B. C. Silver......	......	.80	.....	.....	.....
25c	.02	.00½	Cork Province...	16,000	.01½	.01½	.01	.01
1	.29	.06	Cotton Belt......	1,500	.06	.10	.10	.10
1	.03	.02	Dalhousie........	......	.02½	.....	.....	.....
1	.04	.02	Dunwell..........	......	.02	.....	.....	.....
1	.10	.02	Duthie..........	......	.02½	.....	.....	.....
1	.90	.39	George Copper...	......	.50	.....	.....	.....
50c	.05	.01	Geo. Enterprise..	......	.02	.....	.....	.....
1	.05	.01½	Georgia River....	33,500	.03	.03½	.03	.03½
1	.45	.17	Golconda..........	......	.25	.....	.....	.....
50c	.10	.03	Grandview.......	2,600	.05½	.06½	.06	.06½
No	27.50	17.00	Howe Sound.....	......	21.25	.....	.....	.....
1	.17½	.09	Intern. Coal.....	1,000	.11	.11	.11	.11
1	.02	.01	Independence....	2,000	.01	.01½	.01½	.01½
1	.02	.01	Indian Mines....	......	.02	.....	.....	.....
1	.43	.22	Jack Waite......	......	.25	.....	.....	.....
25c	.02	.00½	Kootenay King..	......	.01	.....	.....	.....
25c	.02	.00½	L. & L..........	......	.02	.....	.....	.....
1	.12½	.06	Lorne Gold......	93,140	.10½	.12½	.11	.11½
1	.12	.12	Los Ang. Van....	......	.12	.....	.....	.....
10c	.05	.01½	Lucky Jim.......	1,000	.04	.03	.02	.03
50c	.01	.00½	Marmot Metals..	......	.00½	.....	.....	.....
1	.05	.01	Morton Woosley.	2,500	.03	.03	.01½	.03
50c	.05½	.01	National Silver...	48,000	.02	.03½	.02	.03½
50c	.10½	.04	Noble Five......	11,000	.06	.07½	.06	.07½
50c	.12½	.02	Oregon Copper...	3,000	.02½	.02½	.02	.02
1	3.35	1.23	Pioneer Gold....	28,315	2.85	3.35	2.80	3.15
No	.02	.00½	Premier Border..	31,000	.01	.01	.00½	.01
50c	.13	.03	Porter Idaho.....	8,300	.07½	.09	.07	.09
No	.55	.20	Reeves McDonald	350	.30	.30	.28	.28
1	.28	.11	Reno Gold.......	4,500	.22	.22	.21	.21
1	.04	.01	Rufus Argenta...	1,000	.02	.01	.01	.01
1	.09	.02½	Ruth Hope.......	......	.06	.....	.....	.....
1	.07½	.03	Silverado........	1,000	.04	.03	.03	.03
25c	.04½	.00½	Silver Crest......	3,000	.02½	.02½	.01½	.02½
50c	.05	.00½	Snowflake........	......	.02	.....	.....	.....
1	.45	.25	Sunloch..........	......	.25	.....	.....	.....
50c	.02½	.01	Topley Rich.....	......	.02	.....	.....	.....
5	.20	.05	Toric..........	......	.05	.....	.....	.....
20c	.01	.00½	Wellington......	......	.01	.....	.....	.....
1	.08	.02	Whitewater......	1,000	.05	.05	.05	.05
No	.03½	.00½	Woodbine........	6,500	.00½	.01	.01	.01

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters........	$2.50+a	3.52	Noranda............	50c.	3.17
Dome Mines..........	$1	10.52	Premier............	12c.	....
Granby..............	50c.	....	Pioneer, B.C.......	12c.	3.80
Hollinger............	65c+5	13.46	Royalite............	50c.	....
Howe Sound..........	$2	....	Spooner Oils........	6c.	....
Inter. Nickel.........	20c.	2.00	Sylvanite...........	4c.	....
Lake Shore..........	$2+50c.	9.36	Teck Hughes.........	60c.+5	13.43
McIntyre............	$1	6.04	United Oils.........	5c.	....
McLeod Oils.........	5c.	....	Wellington Oil......	5c.	....
Mercury Oil.........	5c.	....	Wright-Har.........	10+2½c.	4.59
Model Oils..........	9c.	....			

a. Stock bonus 1 share for each 20 shares held.

CANADIAN CAR CO. LOWER DIVIDEND ON JUNIOR STOCK

New Rate Cuts Charge by Nearly $275,000 for Year

From Our Own Correspondent

MONTREAL.—Canadian Car and Foundry Co. has cut the dividend on its common stock from $1.75 to $1 a share. This will result in a saving of $274,350 a year and will do much to conserve the liquid resources of the company.

Announcement to this effect was made at the annual meeting of the shareholders by W. W. Butler, president, who said that future dividend action on the common stock was indefinite.

Reviews Company's Position

Mr. Butler devoted some time to a statement on past depressions and went on to outline data pertinent to the company's position. He said, in part:

"The year is really no criterion to go by. It is better to take our reports over a period of years. For your information, I would like to refer to the report of ten years ago, 1921. That report showed direct obligations of the company as follows:

Had Heavy Charges

Canadian Car and Foundry Co. bonds outstanding, $4,813,335; Canadian Steel Foundries, bonds outstanding, $2,016,454; Montreal Steel Works, bonds outstanding, $568,000; Seven Year 6 per cent Scrip, $1,553,767 arrears preferred dividend 1¾ per cent, $131,250; mortgage on head office building, Montreal, $100,000. The total direct obligations of the company at that time were $9,182,807. Our surplus was $3,251,207. Our preferred stock dividends continued in arrears up to 1925.

"You will observe by the annual report before you that all these obligations have been liquidated, and we have a surplus of over $6,000,000 as compared with $3,251,207 at that time. Our only direct obligation today is the cumulative dividend on our preferred shares, (and the company has only this one direct obligation), amounting to $525,000 per annum.

Subsidiary is Promising

"As the report of your directors indicates, we are continually adding to our lines of manufacture, and have organized a subsidiary—the Canadian Tank Car Company—for the purpose of building, selling and leasing tank cars. We are engaging in this business at the suggestion of some of our railroad friends, as the railroads have now adopted a rule that they will not lease tank cars to companies who require them. We believe this subsidiary gives promises of success, as there are many tank cars required for various uses; and companies in the United States who have gone into this line of endeavor have been very successful."

SIN-MAC LINES FORM COMMITTEE OF BONDHOLDERS

Body Will Act to Take Over Assets of Company

From Our Own Correspondent

MONTREAL.—Holders of Sin-Mac Lines 6 per cent, first mortgage bonds on which interest was not paid in October, 1931, have formed a committee and, it is understood, will take steps to take over the assets securing their holdings. There are outstanding $1,381,500 of first mortgage bonds constituting a first fixed and specific closed mortgage on all fixed assets of the company.

Inland Navigation Slackens

Activities of Sin-Mac Lines, since its inception in 1928, have been adversely affected by the general decline in transportation on the Great Lakes. The company conducts its business in an area extending from the Head of the Lakes to the Atlantic seaboard and its operations account for about 90 per cent of the business in this division.

CAN. PAPERBOARD ACTIVITY REMAINS AT LOWER LEVEL

Seasonal Influences Tend to Slow Down Operations

From Our Own Correspondent

MONTREAL.—Operations of Canadian Paperboard Co. are presently at a relatively low ebb and reports that the company was earning its bond interest are thought to be exaggerated. Seasonal influences usually tend to slow up activities at this time while there has been no appreciable improvement in the general situation in the paperboard market.

The company's pulp mill at Frankford is still operating after being reopened in September. Prior to that time both the Frankford and Campbellford units of Canadian Paperboard had been closed for over a year; the latter plant is still inactive.

Benefits Power Company

Operation of the Frankford mill, in addition to increasing the paperboard company's level of activity also aids Quinte and Trent Valley Power Co., a subsidiary of Canadian Paperboard. Quinte and Trent supplies most of the power requirements of the parent organization and its load has naturally been increased by the demand from the Frankford mill.

International Pete Production Greater

Average daily production of crude by International Petroleum during November showed considerable improvement over previous months both in Peru and in Colombia. In Peru the daily average was 20,704 bbls., highest production since July, while the daily average in Colombia was 52,146 bbls. the largest production since last March.

The total production in Peru during October was 555,527 bbls., which compared with 758,117 bbls. in October, 1930. In Colombia production was 1,455,380 bbls. as against 1,725,809 bbls. in the same month of 1930. In Peru two wells were completed but were not tested, while in Colombia three new wells were completed with an average initial production of 1,083 bbls.

Cumulative production figures for the first ten months of the current year in both Peru and Colombia compared with production in the same period of 1930 is as follows:

Ten Months ended Oct. 31:		
Peru:		
No. of wells completed	40	103
Av. initial prod., bbls.	261	536
Total crude prod., bbls.	6,286,122	8,265,202
Colombia:		
No. of wells completed	39	97
Av. initial prod., bbls.	382	670
Total crude prod., bbls.	15,253,447	16,957,285

West Canadian Hydro Gross Income Higher

Gross income of West Canadian Hydro Electric Corp. is reported to have shown an increase for the first four months of the current fiscal year as compared with the corresponding period in 1930. The fiscal year starts on July 1. November figures are not yet available but are understood to have shown the same gain. Operating expenses are running approximately the same as in the 1930 period.

Serving the Okanagan Valley in British Columbia, the company has been able to maintain earnings during the past year since that district has benefitted by elimination of the dumping of apples from the United States in the Canadian market. Present maximum load of the company varies between 1,700 and 1,800 h.p., and the company has some 400 h.p. available for expansion. On December 2 the company commenced supplying power to Sicamous under contract with the C. P. R. which formerly maintained its own power plant at this junction point.

C. G. I. Trust Declares Dividend

Dividend of 15 cents per share has been declared on the stock of Canadian General Investments Ltd., payable January 2 to shareholders of record December 15. Holders of share warrants will receive payment at par if coupon No. 14 is presented at the main office of the Bank of Montreal in Vancouver, Winnipeg, Montreal and Halifax or at the King and Yonge branch in Toronto.

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

Hodgson Bros. & Co. Limited
Formerly Hodgson Bros. & Dunton Limited
INVESTMENT SECURITIES
240 St. James St., Montreal

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

Algoma
A reputation— as well as a name
Algoma Steel Corporation Limited
Sault St. Marie, Ont.
General Sales Office: MONTREAL: 730 Canada Cement Building
District Sales Office: TORONTO: 1206 Northern Ontario Building

Established 1889
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Current Events in Banking World

THINKS STERLING CURRENCY SYSTEM BEST FOR EMPIRE

Barclay's Chairman Says "Managed" Currency Must Not Stay

Emphasizing the need for a gradual return to a system of automatic currency control such as the old sterling system, F. C. Goodenough, chairman of Barclay's Bank, Ltd., speaking in London, England, recently, said there would be no better system for Empire currency.

Fault was found with the MacMillan proposals as tending toward a "managed" currency. The effect of the recommendations, according to Mr. Goodenough, would be that the British note issue would not have a specific gold cover but would be regulated by the Bank of England to correspond with the apparent requirements of the community. Under such a plan there would be greater difficulty, he thought, in adjusting the exchanges or in maintaining their stability through the influence of the bank rate than would be the case if currency were directly linked to gold.

"People often wish to know," said Mr. Goodenough, "why it is considered necessary to link our currency to gold, even although gold is no longer in circulation, and why we cannot adjust our exchange differences by means of gold payments, irrespective of any metallic backing for the currency. It is because that by linking the currency to gold, there is set up a self-adjusting relationship between the currency and world prices, which is essential for any country subject to the same economic conditions as ourselves. We (Great Britain) are dependent upon overseas trade, and we cannot expect to be able to carry on foreign trade, whether within the British Commonwealth of Nations or with foreign countries, for any continuous period of time unless the external purchasing power of our currency corresponds with its internal purchasing power. Any advantages or disadvantages which might exist as a consequence of a lack of equilibrium when a currency is not attached to gold can be only more or less temporary and will adjust themselves either by a rise or fall in internal prices and by a loss or gain of selling power abroad."

Difficulties in the way of an immediate return to a system more nearly approaching the pre-war gold standard were seen in the present mal-distribution of the world's stock of gold, in the unwillingness of all gold standard countries to allow gold movements to exert their natural influence upon credit structure, in the trade barriers which hinder free circulation of the world's goods and prevent stabilization of world prices, and in the war debts and reparations. The British currency system and return to automatic control, as well as any possibility of return to the gold standard, Mr. Goodenough said, were part of an international problem in the settlement of which almost all the great countries of the world would have to co-operate if success is to be secured.

Speaking from the point of view of Imperial policy, Mr. Goodenough said:

"I feel sure that a purely managed currency would not appeal to the Dominions and Colonies as a suitable system for an Empire currency. The Empire is built upon the principles of liberty and freedom, and I feel certain that the various component parts would never agree with the idea of their respective currencies being managed from any one centre.

"We are still the greatest creditor nation, although, for the time being, owing to world conditions, it may be difficult to obtain payment of our debts, and the inward flow of gold has been interrupted also owing to other causes; yet as world conditions become more normal, it will be possible to return to a system which will enable us to provide an Empire currency capable of fulfilling all that is required of it.

"We must aim at a system of Empire currency which is based upon sound principles and which will, at the same time, reserve to each country, including ourselves, the greatest amount of individual liberty and freedom. There would be no better system for Empire currency than the old system of sterling currency."

Canadians Deal Little In Forward Exchange

Facilities Offered by Banks for Trading in Foreign Funds Not Widely Recognized—Canadian Money Exchange Suggestion Not Feasible

Considering the steady sag of the Canadian dollar on exchange in New York, which has now been in process for a good many weeks, it is surprising to note that Canadian business men are not making the use they might of forward trading in exchange.

Whatever the causes of the continued depreciation of Canadian currency—and it should be remembered that money exchange is as subject to the influence of traders as stocks or any commodity, as well as to the ordinary laws of supply and demand—it appears to be generally conceded that there is little basis for hoping for a speedy recovery to par of the Canadian dollar. Once the Canadian exchange showed a tendency to shift its moorings, which it did when Great Britain went off the gold standard, the action of dealers in Canadian exchange outside Canada who thought the Canadian dollar a good short sale, or, who for instance, when exchange stood at 90, offered 85, was a strong factor in bringing the Canadian dollar down.

Forward Exchange Buying

Comparatively little advantage, however, has been taken by Canadians of the facilities offered for the buying of foreign funds for legitimate commitments covering the future 30, 60 or 90 days, despite the fact that quotations can generally be readily obtained, and purchases transacted for forward exchange, through the foreign department of any Canadian bank. Banks are generally in a position to buy and sell New York and most other exchanges for future delivery on behalf of any person or concern who has the necessity to buy and the capacity to complete the contract, and the only instrument involved is a letter in which the purchaser agrees to pay a certain figure for so much N. Y. funds on a specific date, or in any certain week or month. Quotations for forward funds may be a little higher than for "spot" but the fluctuations from day to day are within narrower limits.

In order to protect itself the bank will require a "margin," unless the buyer be a customer whose account or credit affords sufficient safeguard in the possible event of a decline in the spot price of N. Y. funds during the forward term, and this margin may vary according to circumstances and the term, from a few points up to the full amount of disparity. This protection is necessary in case, through some circumstance, the purchaser does not complete the contract and the bank has to go into the market to sell to cover at a lower price.

While the forward buying of United States funds for future legitimate purposes of trade is offered by the banks to Canadian industry and finance, the speculative selling of Canadian funds "short" is deprecated by them as this can only tend to drag the Canadian dollar still lower.

Canadian Market Question

A suggestion has recently appeared in the daily press to the effect that a "Canadian money market" should be established in Montreal or Toronto. The answer to this appears to be that there is not sufficient volume of trade with the foreign countries to warrant any change in the present régime, which is adequate for the purpose.

Let us follow through a simple transaction. A client goes to his bank wishing to buy Finn marks. The bank can get in touch with the other banks in Canada to see if they have Finn marks to sell. If the amount is small there is a chance that they might be picked up. If not, then the bank (if the New York market is to be avoided) would have to cable direct to banks in foreign countries for quotations. Possibly quotations for Finn marks are lowest in London. Then a cable has to be sent from Canada to London instructing them to send the funds to Finland to meet the draft sold in Canada.

Or, again, a Canadian bank might want to buy francs and wire a French bank to ask if they will sell. The French bank might reply that they will sell the francs but they do not want the Canadian dollars, and instruct the buyer to transfer the funds to their account in New York. So New York will probably ultimately come into the transaction somehow or other.

Expediency First

Were such a programme as that outlined above carried out on each transaction in foreign funds which is what is implied in the suggestion of a Canadian money market, heavy expense would be incurred in cabling all over the world, whereas banks can be found in New York with funds on hand of practically any currency that one might require to buy. One bank will specialize in Swedish Krone, another in Dutch guilder, another in Czechoslovakian krone. These banks are receiving daily quotations from the foreign countries, and are in constant cable communication, so that any enquiry from Canada can be put through at the minimum of expense.

This would seem to dispose of any likelihood of any change in the present system of transacting foreign exchange business until the volume of foreign trade expands considerably. But many Canadians are looking for some way of meeting the existing fluctuations of the Canadian dollar in New York.

The current sensitiveness of spot exchange places the Canadian manufacturer dependent in some part on supplies from the United States in a hazardous position. Supposing steel forms part of his product and he is buying steel from the U. S. with which to fill a contract for his goods. By the time the steel is delivered, processed and ready for sale probably many weeks have elapsed. If when he comes to pay for the steel the premium he has to pay for U. S. funds has gone up he could quite conceivably stand to lose on his contract. It is this feature which would seem to heighten the desirability on the part of manufacturers and importers to have a definite exchange point ahead to work to in the buying of material and fixing the price of their finished goods, and forward buying of exchange makes this possible.

Weekly Bank Clearings

Eastern Cities	Dec. 18, 1930	Dec. 17, 1931
Halifax	$ 3,115,932	$ 2,672,985
Saint John	2,035,392	1,803,459
Moncton	869,077	743,173
Sherbrooke	782,320	685,671
Quebec	6,142,366	4,802,912
Montreal	126,721,786	96,150,052
Ottawa	7,490,955	6,178,916
Kingston	817,259	686,778
Peterboro'	1,580,220	805,796
Toronto	113,334,627	87,448,137
Hamilton	5,444,405	4,207,716
Kitchener	1,308,581	1,149,917
Brantford	1,406,884	912,780
London	3,167,759	2,628,087
Windsor	3,307,133	2,692,525
Chatham	739,912	688,267
Sarnia	619,250	488,496
Sudbury	968,014	601,244
Western Cities		
Fort William	$ 851,963	$ 643,004
Winnipeg	47,937,311	42,718,126
Brandon	512,705	429,860
Moose Jaw	942,688	586,770
Saskatoon	2,160,174	1,725,258
Prince Albert	449,864	338,456
Edmonton	5,267,091	6,087,175
Calgary	8,431,366	5,664,130
Regina	4,237,784	4,327,870
Medicine Hat	407,396	204,329
Lethbridge	510,623	413,301
New Westminster	733,798	496,302
Vancouver	19,653,010	13,441,975
Victoria	2,111,798	1,540,073

COMMERCE EARNS $13.08 PER SHARE AFTER WRITE-OFFS

Assets Drop Only Six Per Cent and Liquid Position Strong

Net profits after depreciation and taxes, of $13.08 per share as compared with $14.18 per share a year ago, are shown by Canadian Bank of Commerce, Canada's third largest bank, for the year ending Nov. 30, 1931. Assets are lower by about 6 per cent at $640,785,420, reflecting a shrinkage in general business while liquid position has been well maintained, and in some respects improved in that quick assets, namely, gold, Dominion notes, cheques on and liabilities due by other banks, prime securities and call loans, stand at 57 per cent of liabilities to the public as against 55 per cent at this time last year.

Net profits for the year were $4,774,923 or $15.91 per share as compared with $17.93 per share a year ago. From this bank deducted dividends at 12 per cent, paid $600,000 in taxes, credited pension fund with $256,000 and wrote off $250,000 from bank premises as compared with $500,000 the previous year. Balance carried forward to surplus was $19,332.

INCOME AND SURPLUS ACCOUNT
Years Ended November 30

	1931	1930	1929
	$	$	$
Net profits*	4,774,923	5,378,423	5,066,229
Less appropriations:			
Dividends	3,600,000	3,596,014	3,233,216
Bonus	....	300,000	297,659
Pension fd.	255,591	256,177	249,571
W/o prem.	250,000	500,000	400,000
Taxes	600,000	625,000	650,000
Donations	50,000	60,000	65,000
Surp. for year	19,332	41,232	170,783
Add: Prev. surp.	516,351	475,119	304,336
Prem. on new shares	....	201,990	4,974,610
Less: Trans. to res.	....	201,990	4,974,610
Surp. car. fwd.	535,683	516,351	475,119

*After deducting charges of management and providing for all bad and doubtful debts.

Principal changes on the assets side of the balance sheets are reductions of 43 million dollars in call loans and of nearly 20 million in current loans. In the case of call loans, the greatest reduction is in those made outside Canada, this being about 35 million dollars as against a decline of less than 8 million in Canadian call loans. Current loans in Canada show a reduction of nearly 15 million and those outside Canada a falling off of nearly 5 million. Holdings of high grade securities were increased by over 41 million dollars, the greater part of this amount being in government issues. The bank's holdings of government securities alone stands at over $99,000,000, an increase of $39,000,000.

Among liabilities a decline of about $21,000,000 in savings deposits is of interest in view of the fact that most banks during the past year have shown an increase in savings. The decline is attributed to the withdrawal of funds by depositors in connection with the recent National Service Loan. A sharp reduction occurred in letters of credit which declined by one-half, about $12,000,000 reflecting curtailed foreign business and unsettlement in foreign exchanges.

An analysis of the bank's statement as prepared by The Financial Post is as follows:

GENERAL STATEMENT
As at November 30
Immediately Available Liquid Resources

	1931	1930
	$	$
Assets		
Specie	19,835,044	20,543,623
Dominion notes	39,470,288	44,012,914
Gold reserve	8,000,000	10,000,000
Due by for. banks	22,274,897	29,654,375
Foreign currency	1,111,991	1,157,462
Govt. secs.	99,031,314	60,736,067
Call loans abroad	44,385,184	79,748,196
	*224,108,718	245,852,637
Loans and Securities Other Than Those of Canadian Government		
Public securities	20,008,153	16,876,708
Railway securities	11,348,700	11,342,233
Can. call loans	40,682,168	48,560,523
Current loans	252,720,151	267,610,674
Curr. loans ab'd	20,244,793	24,963,032
	345,003,965	369,353,170
Due from Other Banks		
Notes of other bks.	1,991,150	1,862,245
Cheques of other bks.	19,723,937	18,893,360
Due by other banks	39,121	....
	21,754,208	20,755,605
Other Assets		
Non-curr. loans	2,337,676	2,017,515
Real estate	2,263,699	1,823,760
Mortgages	2,084,357	2,172,681
Letters of credit	12,374,264	24,299,371
Premises	15,325,188	15,163,803
Deposit re circ. fund	1,250,000	1,250,000
Shs. in controll'd cos.	3,935,392	4,099,356
Other assets	347,953	329,707
	39,918,529	51,156,193
Total assets	640,785,420	687,117,605
Liabilities		
To the Public		
Circulation	26,352,721	29,174,441
Govt. advances	15,000,000	10,000,000
Deposits by public:		
Demand dep.	122,177,658	122,719,791
Savings dep.	376,910,287	398,246,240
To banks abroad, etc.:		
Foreign banks	25,273,935	32,973,909
Bills payable	64,618	6,052,623
Letters of credit	12,374,265	24,299,371
	578,153,484	623,466,375
Due banks in Canada	1,188,767	1,930,650
To the Shareholders		
Dividends	907,486	1,204,229
Reserve	30,000,000	30,000,000
Capital	30,000,000	30,000,000
Surplus	535,683	516,351
	61,443,169	61,720,580
	640,785,420	687,117,605

Bank Branches Reduced by 6 In November

With the closing of eight bank branches and the opening of two in November, the total number of branches of Canadian chartered banks in Canada, as at the beginning of the present month was 3,982. Including foreign branches the total stood at 4,162 of which 26 were in Newfoundland and 154 "elsewhere," not designated.

The two branches opened during the month were the Banque Canadienne Nationale's branch on Beaubien East, Montreal, and that of the Bank of Montreal at Yonge Street and Brookdale Ave., Toronto. Of the eight that were closed the Bank of Commerce report three, the Royal two, and the Nationale, Provinciale, and Imperial one each. Five were located in Manitoba and Saskatchewan, two were in Quebec and one in Ontario.

Bank Chat

The Canadian Bank of Commerce announce the following appointments:

P. H. NESBITT, accountant at Kingston, Ont., appointed audit officer at head office.

J. SOMERVILLE, assistant manager, Havana, Cuba, appointed assistant inspector at head office.

H. R. McHOULL, manager at Picton, Ont., appointed manager at Cornwall, Ont.

E. J. BEGER, assistant inspector, head office, appointed assistant inspector at Hamilton, Ont.

J. K. PATTERSON, office supervisor, Toronto, appointed manager at Picton, Ont.

C. B. NARRAWAY, manager at Melville, Sask., appointed manager at Radville, Sask.

E. P. GREGOIRE, manager at Arvida, Que., appointed manager at Rouyn, Que.

O. H. BROUILLETTE, manager at Rouyn, appointed manager at St. Anne de la Parade.

H. K. BAIRD, manager at Radville, appointed manager at Shaunavon, Sask.

J. C. MACPHERSON, manager at Richard, Sask., appointed manager at The Pas, Man.

A. H. MUNROE, manager at The Pas, appointed manager at Timmins, Ont.

W. G. SCOTT, manager at Timmins, Ont., appointed manager at Parliament and Dundas, Toronto.

R. J. COWAN, accountant at Winnipeg, appointed assistant inspector in the superintendent's department.

Elm Creek, Man. Commencing Jan. 2 until April 15 this sub-agency to the Carman branch will be open on Wednesday only of each week.

T. G. McMASTER, formerly assistant supervisor for the Maritimes, Bank of Nova Scotia, has been appointed to a similar position at the head office, Toronto.

ERNEST JONES, former assistant manager at Calgary, Bank of Montreal, has been appointed manager of the main branch at Saskatoon, Sask.

Imperial Bank of Canada announce the following appointments:

R. CARSON, formerly inspector, head office, has been appointed manager, Dundas and Victoria branch, Toronto.

E. J. CASE, formerly manager at Dundas and Victoria branch, Toronto, has been appointed manager, Bay and Temperance branch, Toronto.

A. H. SEGUIN, formely manager, Bay and Temperance branch, Toronto, has been appointed manager, King and Bay branch, Toronto.

W. G. CHAMBERS, formerly attached to the western superintendent's department, Winnipeg, Man., has been appointed manager at Sudbury, Ont.

H. C. SCARTH, formerly manager at Sudbury, Ont., has been appointed manager of Timmins, Ont., branch.

D. SUTHERLAND, formerly manager at Timmins, Ont., has been appointed manager at Brantford, Ont.

B. O. MOXON, formerly manager of the Royal Bank's branch at Halifax, has been appointed manager of the main branch at Winnipeg, Man.

JAMES MUIR, formerly manager at Winnipeg of The Royal Bank's main branch has been promoted to joint general inspector at head office.

New Maritime Food Product

A new frozen ice cream product manufactured in Yarmouth by the Yarmouth Ice Cream and Dairy Company, has been introduced on local markets. The new frozen delicacy is a combination of ice cream and yeast.

Insurance for Buyer and Seller

INSURANCE SALES SHOW INCREASE IN NOVEMBER

Total to Date Only 12.5 Per Cent Below 1930

Ordinary life insurance written in Canada and Newfoundland during November totalled $38,860,000, bringing the total for the year to date up to $442,149,000. These figures, published by the Life Insurance Sales Research Bureau of Hartford, show declines in comparison with last year of 15.86 per cent with respect to the month and 12.48 per cent for the 11-month period.

Nova Scotia was again the only province to record a gain in sales over the corresponding month last year, although with Prince Edward Island and Newfoundland it showed a decrease in comparison with October this year. All other provinces made gains in this respect, following the normal seasonal trend. The seasonal increase in the total sales for the Dominion was 15.86 per cent.

Sales for November, by provinces, compared with November, 1930, are appended, figures being based upon returns from 15 companies which have 84 per cent of the business in force in the Dominion. A table showing monthly sales throughout Canada for the past five years will be found elsewhere in this issue.

	Nov. 1931	Nov. 1930
	$	$
Alberta	2,505,000	1,809,000
British Columbia	3,036,000	2,237,000
Manitoba	3,028,000	2,517,000
New Brunswick	1,210,000	959,000
Nova Scotia	1,366,000	1,407,000
Ontario	18,310,000	15,787,000
Prince Edward Island	240,000	108,000
Quebec	14,182,000	11,836,000
Saskatchewan	2,505,000	1,955,000
Newfoundland	486,000	245,000
Total	46,186,000	38,860,000

School Board Considers Insurance of Children

An insurance policy, protecting 4,000 children of the city in case of accident on the school grounds is being considered by the public school board of Moose Jaw, Sask., and by the head office of an insurance firm at Toronto.

The scheme, as outlined, is that each child of the city attending school pay a sum of 25 cents per year and thus be protected to the extent of $100 for any major accident occurring on the school grounds.

Ottawa Life Underwriters Officers Elected For 1932

At the recent annual meeting of the Ottawa Life Underwriters' Association, Hugh F. Murray, manager of the North American Life, was elected president, P. F. Howe, honorary president, and D. W. Morphy and J. A. Beasejour, vice-presidents.

The executive committee for the ensuing year is composed of W. H. Gardiner, J. D. Murray, N. A. Haugh, W. E. N. Hodgins, E. J. Murphy, W. L. Phelan, H. S. Racine and J. M. Roney. H. A. Wetmore was again elected secretary-treasurer.

Ordinary Life Insurance*

	1926	1927	1928	1929	1930	1931
January	$33,907,000	$36,986,000	$47,569,000	$49,739,000	$45,074,000	$41,188,000
February	34,744,000	35,525,000	39,962,000	47,140,000	43,925,000	40,180,000
March	40,483,000	42,883,000	44,823,000	48,066,000	49,047,000	46,945,000
April	37,346,600	41,631,000	46,718,000	51,842,000	51,649,000	45,648,000
May	37,703,000	44,353,000	49,581,000	50,547,000	48,871,000	41,314,000
June	44,634,000	45,298,000	51,844,000	53,402,000	54,168,000	46,227,000
July	40,101,000	39,362,000	49,492,000	54,809,000	46,505,000	39,977,000
August	36,010,000	38,360,000	43,503,000	41,329,000	36,249,000	35,738,000
Sept.	34,878,000	35,000,000	38,872,000	43,013,000	38,994,000	30,066,000
October	40,226,000	48,104,000	55,743,000	50,894,000	44,527,000	36,006,000
Nov.	44,251,000	44,935,000	54,865,000	55,624,000	46,186,000	38,860,000
Dec.	46,777,000	48,899,000	56,647,000	54,189,000	49,026,000	

- Total, First 11 Months, 1931 .... $442,149,000
Total, First 11 Months, 1930 .... $505,195,000

Decrease, First 11 Months, 1931 (12.48%) .... $ 63,046,000
Decrease, November, 1931, from November, 1930 .... 15.86%

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1, 1931. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

Insurance Problems

Western Assurance

A short time ago shares of Western Assurance Co. were selling on the unlisted market at better than $40 a share. The bid for the stock has now dropped to $29 and is offered at $31. May we have a report on the company particularly as to the prospect of the company reducing its dividend or any adverse factors which would cause the stock price to decline in this manner.

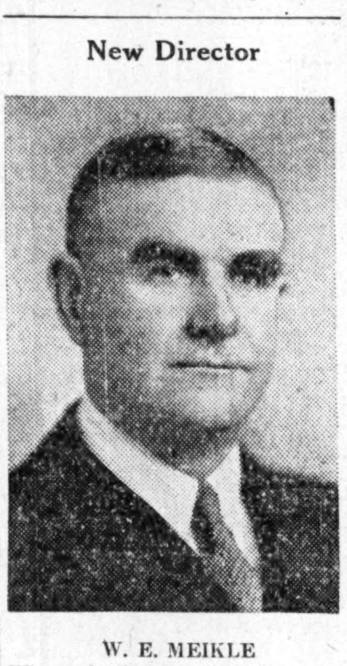
The half-yearly dividend of Western Assurance was declared last week at the rate of 2 per cent, payable January 2. This compares with 8 per cent paid on the same period a year ago and brings total payments on the common shares for the year up to 10 per cent. The reduction was to be expected in view of the heavy decline both in volume of business and in underwriting profit, due to substantially higher fire losses during the year.

One important consideration affecting the company's position is the valuation which it will be allowed to make of its securities as at December 31, 1931. As you probably know, this has been under advisement by the federal insurance department for some time, but no specific ruling has been made as yet. Western Assurance Co. at the end of 1930 had stock owned or held with a book value of $2,863,000 in addition to substantial holdings of industrial bonds, so that the valuation of these securities is very important as may be seen from an analysis of the company's last annual statement which shows that an underwriting gain of $245,000 was wiped out by the fact that the company had to write off $582,000 from the market value of its investment, and accordingly showed a net loss for the year of something over $240,000.

The company is no worse off than the majority of fire insurance companies, and in fact it is probably in a better position on account of the fact that its business is well diversified throughout the world, only 25 per cent of its premium income being in Canada. It is one of the few purely Canadian companies which have made a success in the fire insurance field and is one of the oldest and best-established concerns in the business.

We understand that one reason for a decline in the shares has been the fact that, as you know, several substantial blocks of stock have been sold on the market from estates, such as the one in which you are interested, which obviously has had a depressing effect in the price of a security such as this, for which there is no wide market.

New Director



W. E. MEIKLE

Whose election as a director of the Western Assurance and British American Assurance Companies has just been announced. Mr. Meikle, who lives in Winnipeg, is a director of the financial house of Osler, Hammond & Nanton, with which he has been connected for 25 years.

Insurance Supervisor Finds Improved Business in West

Greatly improved conditions in western Canada are reported by F. D. Smith, field supervisor of the Metropolitan Life Insurance Co. on his return from an inspection trip to Vancouver.

Mr. Smith states that business of his own company for November was the highest for the year, while total business to date is much greater than for the same period last year. A spirit of optimism prevails in the west and the word "depression" has been dropped entirely, he said.

FRIEND OF YOUR FAMILY

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Vice-Presidents:
W. S. MORDEN, K.C. JOHN J. GIBSON and Gen. Mgr.
Secretary: E. W. McNEILL

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
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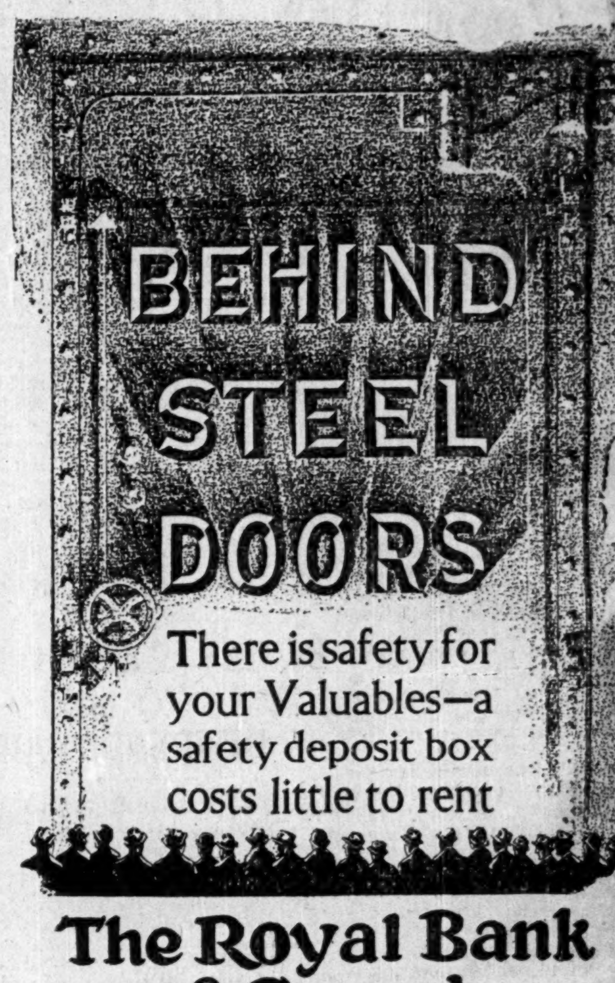

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144

DEVELOPMENTS MAKE SUDBURY AND NICKEL SYNONYMOUS

RAPID GROWTH HAS BEEN MADE ON SOUND BASIS

Railways and Mines Have Been Deciding Factors

Cheap Home Sites, Good Public Services Have Stabilizing Effect on Population

The growth of Sudbury from a pioneer town to a city has been exceptionally rapid and after doubling in population since 1927 the municipality became a city in 1930 with a population of 20,100. While growth has been rapid development has been consistent with the progress made in the north country of which the city is unofficial capital. With a future assured by immense ore reserves nearby and excellent rail connections the development of the city has gone ahead on a basis of permanence.

The total assessment for 1931 is reported at $12,293,339 as compared with $9,764,636 in 1930. While building activity was less during the current year than in previous years it is notable that 162 new dwellings have been built having a valuation of some $395,000. Building permits issued in 1931 will have a total value of some $575,000. The city has just constructed a new incinerator at a cost of $192,000 and a new high school is projected. The first wing of this new school is estimated to cost $160,000 while the completed school will cost about $500,000. During the present year, however, there has been no construction of public buildings and building has been largely confined to residences and alterations to business properties. The Canadian National Railway has recently completed a new overhead steel trestle at a cost of some $500,000 and has purchased land for further extensions.

Settles Housing Problem

Local improvements have followed in the wake of the rapid growth in population although the per capita debenture debt has been kept moderately low. The city has in excess of 13 miles of paved streets and 22 miles of concrete walks within the corporate limits while watermains exceed 31 miles and sewers exceed 28 miles in length. The school system is good and public services are modern and efficient. From the war to 1927 the city had a population of 9,000 to 10,000 people. Expansion of International Nickel Co. and development of natural resources to the north resulted in rapid growth in population which brought many problems.

Not the least of these problems was the supplying of adequate housing facilities and in order to do away with speculation in land certain restrictions were enforced. The city has encouraged workmen to own their own houses and building lots have always been available at moderate prices. In 1928, 186 houses were built with a value of $958,475; in 1929, 418 houses were built valued at $1,182,600; in 1930, permits were issued for some 491 houses in the first 11 months while in the current year, during the same period, the total was 162 houses.

At the end of 1930, the city had an assessed acreage of 2,560 acres and a total taxable assessment of $7,935,636 of which $3,651,615 was on land, $3,650,555 was on buildings; $548,935 was on business and $84,531 on income. In addition, statutory and other exemptions amounted to $1,829,000. Debenture debt at the end of 1930 was $721,949 for general purposes; $435,776 for schools; $793,337 for local improvements and $301,431 for municipal utilities.

Has Good Schools

Sudbury has efficient public services and claims to have been one of the first municipalities to use hydro-electric power; one of the first to chlorinate and aerate its drinking water; one of the first to use the present type of street lamps. The city operates its own electric lighting and power system. Power is purchased from the Wanapitae Power Co. in which the Hydro-Electric Power Commission of Ontario owns a half interest. Completion of the Abitibi Canyon development in the latter part of 1932 will be an additional source of power. The city operates the street railway. Ramsay Lake forms an excellent source of water supply.

Sudbury offers a variety of educational facilities and all of its schools are quite modern. The provincial government maintains a fine technical and mining school.

Sudbury began less than 50 years ago as a crude railway construction camp. In 1883 it was a company town controlled by the Canadian Pacific Railway. With the laying of the rails mineral outcrops were found but received little attention. In 1886 when the town had a population of some 300 persons the importance of the nearby mineralized area was scented and the village took on a new prominence. In 1892 the village became a town and by 1894 the population had increased to some 1,500. In 1907 the town was designated a county seat of the newly formed district of Sudbury. Progress was rapid in the decade 1905 to 1915 and saw a large amount of new construction which included many fine public buildings.

The Canadian Northern Ontario Railway, now part of the Canadian National Railways, went through in 1911-1912 and the Algoma Eastern Railway was started in 1911. By 1912 the road to Sault Ste. Marie was completed, other roads in the district having been started in 1911 when the first paved street was laid in the town. In 1911, also, the C. P .R. removed its divisional offices from North Bay to Sudbury and this also increased population. Active demand for nickel during the war caused heightened activity which, however, fell away in 1920 and 1921. Impetus in general mining development of the district, however, brought better business and with the discovery of new uses for nickel activity increased, population gained rapidly and on August 4, 1930, Sudbury celebrated its newly-acquired status as a city.

Nickel's Future Rests On Improved Conditions Enjoys Unique Position

New Facilities Permit Greater Production at Lower Cost

HAS MANY PLANTS

Diversified Products Are Distributed Throughout Markets of the World

Inco President

R. C. STANLEY

President of International Nickel Co. of Canada, who is piloting the company through trying times.

The International Nickel Co. of Canada is truly international in aspect. It is Canada's largest mining and metallurgical enterprise whose primary operations are the mining and smelting of nickel-copper ore in the Sudbury area, the source of 90 per cent of the world's nickel. It is also Canada's leading copper producer and one of the world's leading producers of platinum. It is a holding as well as an operating company and in its plants and through its subsidiaries in the United States and in England the refining, manufacturing and marketing of nickel, copper, nickel-copper alloys, precious metals, and by-products take place, which are distributed throughout the world.

This month saw the completion of an expansion programme, which has been under way since 1924 and which has involved an expenditure of $50,000,000. The primary steps toward the establishment of the enterprise as it is today were the exploration and development of the Frood mine, the world's largest known nickel-copper deposit which is shown by development to date to be so immense that it will provide the company with raw material for generations, at the normal rate of production.

Jointly Owned Frood

The International Nickel and the Mond Nickel owned adjoining properties and the Frood deposit was spread over both of these holdings. This indicated that it could be best developed by merging the companies and a consolidation was effected on January 1, 1929. Upon the merger being completed the expansion and development programme was consolidated and coordinated. Through subsidiary interest in the Ontario Refining Co., refining up to 120,000 tons of blister copper is provided for. Facilities are now such that an annual capacity of 90,000 tons of nickel, 120,000 tons of copper, 100,000 oz. gold, 2,000,000 oz. silver and 300,000 oz. of metals of the platinum group can be mined, milled and refined.

Today the company is a huge industrial enterprise with mining the primary operation. The facilities now provided were designed to anticipate the demand for the company's products for years to come and will enable it to produce better products at a lower price governed in quantity only by industrial activity and demand.

Owns 100,000 Acres

In the Sudbury area, the site of the primary mining and smelting operations of the company, it owns approximately 100,000 acres of mineral land on or near the norite contact which forms the boat-shaped basin, approximately 36 miles in length and 16 miles in width, known as the Sudbury nickel range. The holdings of the company include, in addition to the leading known deposits, many undeveloped properties. The properties from which the principal production has been taken in immediately preceding years are the Frood, Creighton, Levack and Garson mines. In addition, other mines have been in production or partly developed in previous years, including the Murray, Stobie, Crean Hill, Vermilion, Victoria, Bruce, Blezard, Copper Cliff, Evans, Kirkwood and North Star mine.

The principal milling and smelting plant of the company is at Copper Cliff, about four miles west of Sdbury and here a new 8,000-ton daily capacity mill and 5,000-ton daily capacity smelter came into operation in midsummer 1930, milling and smelting nickel-copper ore and producing blister copper and nickel-copper matte, both containing precious metals. Blister copper is refined at the adjoining plant of the Ontario Refining Co. A portion of the nickel-copper matte is shipped to the company's refinery in Clydach, Wales, and part is separated a newly completed unit at Copper Cliff into blister copper and nickel sulphide, the nickel sulphide being shipped to the company's electrolytic nickel refinery at Port Colborne, Ont. A portion of certain nickel-copper matte is shipped to the Huntington, West Virginia, plant to be fabricated into "Monel Metal" products.

At Coniston, Ont., eight miles east of Sudbury, is the former Mond smelter having a normal capacity of 2,000 tons of ore daily and producing nickel-copper matte. In the past this smelter has treated principally the ore from the Creighton mine, producing a special matte particularly well adapted for making "Monel Metal."

Develops Electric Power

Hydro-electric plants of the company in the Sudbury area develop through subsidiary companies approximately 50,000 h.p. In addition, it has contracted to take a minimum of 16,000 h.p. from the Hydro-Electric Power Commission of Ontario from the new development at Abitibi Canyon. Part of the company's power is sold to its copper refining subsidiary, the Ontario Refining Co.

Adjoining the smelting operations at Copper Cliff, the Canadian Industries, Ltd., owns a plant utilizing the smelter fumes to produce sulphuric acid which in turn is used to treat sodium sulphate, produced by an International Nickel subsidiary, the Horseshoe Lake Mining Co., operating a deposit near Ormiston, Sask., to make nitre-cake an essential flux, purchased by International Nickel and used in its refining operations.

The principal nickel refinery of the company, situated at Port Colborne, Ont., completed in 1918, has a capacity of approximately 45,000 tons of electrolytic nickel and 18,000 tons of nickel in oxide annually. Until this month nickel-copper matte was shipped to this plant to receive its initial treatment and separation into blister copper and nickel sulphide. Now this operation is completed at the newly completed unit of the Copper Cliff smelter, eliminating the transportation expense. The products of the Port Colborne refinery are shipped in part to the English plant, but the major part is shipped to the United States fabricating plants of the company for the production of nickel and nickel alloy products.

In the United States, through a subsidiary, The International Nickel Co. Inc., the company operates a rolling mill at Huntington, West Virginia, built in 1922. This plant produces nickel and nickel alloy sheets, wire, seamless tubing, cold drawn rods and other rolled nickel products, particularly products of "Monel Metal." At Bayonne, New Jersey, The International Nickel Co. Inc. operates a foundry and research laboratory, producing nickel and nickel alloy castings, and conducting experimental and research work for the application and the extension of the sale of nickel products.

Mond Nickel Co. in Europe

The operations of the company in Europe are conducted by the Mond Nickel Co., now a subsidiary. At Clydach, Wales, nickel is refined by the carbonyl process producing nickel pellets and nickel salt. This plant has a capacity of 15,000 tons of refined nickel annually.

At Acton, near London, England, the company operates the world's largest precious metal refinery, treating silver, gold and platinum concentrates from its other plants and conducting a customs business principally confined to the platinum metal concentrates from South Africa. This plant was enlarged in 1930 to a capacity of 300,000 oz. of precious metals annually.

At Birmingham, England, through Henry Wiggin & Co., controlled by Mond Nickel, four plants are engaged in the manufacture of products from nickel-copper alloys, including anodes, sheets, rods, tin, wire, spoon and fork blanks. At one plant cobalt oxide, cobalt and tin oxide are produced, while at another plant electric furnaces equipped with chromium-nickel alloy are produced.

Still Discounts Future

In International Nickel Co. of Canada, shareholders have an investment in a basic enterprise, the largest mining and metallurgical enterprise in Canada, which produces, refines and fabricates nickel and copper, but which is feeling the effect of an economic and industrial depression. This has raised in the minds of many investors the question: "what does the future of Nickel hold?"

The company is primarily a nickel producer, the price of which has not changed but there is a curtailed demand. It is Canada's largest copper producer and one of the world's lowest cost operations but low copper prices and reduced output are temporarily curbing earnings from this source. It is an increasingly important producer of precious metals, particularly of the platinum group.

The shares of the company as an investment are unique, as evidenced by the fact that while most other securities are selling on a basis of present earnings, International Nickel is still selling on its potentialities.

In 1929 when the common stock reached a peak price of $73 a share, it was clearly indicated that the market was discounting the future earnings possibilities of the company, since in that year, its peak year, earnings per common share were $1.47, that is, the market value was 50 times earnings. Many dark days have passed since Nickel was selling at $73 per share, but the belief in the company's future underlying the purchase at that time still exists and to the investor who has confidence that world conditions will be righted and that the world will again enjoy industrial prosperity, the future outlook for Nickel remains unchanged.

Many Factors Involved

Many factors should give the investor confidence for the future. The production of nickel has become a necessity to our modern industrial existence. Its use in the past ten years for industrial purposes has been increasing at a rapid rate. It is still increasing in the sense that it is employed for a greater number of purposes and enjoys a wider application than ever before, but the industrial depression has curtailed its gross consumption.

The operations of International Nickel enjoy practically a world monopoly since it produces over 90 per cent of the nickel used in the world today. It is a benevolent monopoly, however, since the price of its product has been maintained at almost a constant level, thus making for a popular use of the metal. Nature has also been generous in supplying the company with ore that will permit operations for generations and there is no threat in the offing of competitive deposits of importance.

International Nickel is an organization that has been built up by efficient and aggressive effort and one that enjoys the confidence of the public at large.

These factors give a foundation of confidence in the future and evidence that the company's future prosperity will have a definite relation to industrial activity.

Fortified For Future

It has an adequate financial position and an experienced organization that is in an excellent condition to ride out the existing depression.

The company has just finished a $50,000,000 expansion and development programme that has meant a continual drain on its finances. This programme, only finished this month, was undertaken to meet the anticipated demand for the company's product and it will enable it to produce a better product at lower cost. While the earnings of the company at the present time are at low ebb, it is in a position as never before to take full advantage of its facilities. Its decks are cleared for action and the expansion drain on its finances has ceased. The company's research department is more active than ever in searching out new fields for the application of nickel. This increased diversificaton of its use should affect a proportionately greater demand for the metal when industrial activity returns.

The market valuation of the present capital structure as compared with that prior to the merger with the Mond Nickel Co. gives some interesting figures.

Market Value $187,279,032

Its present capital structure consists of $900,000 in ten-year serial five per cent purchase money notes, $27,627,825 in preferred shares and 14,584,025 common shares of no par value. In addition, the company guarantees the debenture stock of its big subsidiary, Mond Nickel, totalling $7,385,402. At the current market price for the common stock of $10 per share and allowing for the retirement of the preferred shares at $120, gives a gross market valuation to the company of $187,279,032. This compares with a market valuation of $1,106,313,977, nearly six times greater, when the common shares were selling at $73. In a comparison with the present and peak market valuation of the present capital structure, it is interesting to note that the market valuation of the predecessor company, International Nickel Co., (N. J.), early in 1928, before any merger with the Mond Nickel Co. was mooted, sold at a valuation of $232,820,512. That is, four years ago, before any of the Mond assets became assets of the present company and before the $50,000,000 expansion and development programme had reached any proportion, the market valuation of the company was 50 per cent above the present market value.

The capital structure of the International Nickel Co. (N.J.) consisted of $2,100,000 in ten year notes, 891,125 preference shares of $100 par value and 1,876,368 common shares of $25 par value. This capital structure, just prior to the merger, sold as high as $125 for the preferred shares and $269.25 for the common shares, giving it a market valuation of $663,702,709—over 3½ current market valuation.

New Assets Not Represented

It is interesting to note that although the market valuation, based on the capital structure of the predecessor company, International Nickel Co. (N.J.), ranged from 50 per cent to 350 per cent, higher than the current market valuation, the plants, properties and assets of the Mond Nickel or the subsequent money spent on expansion were not represented.

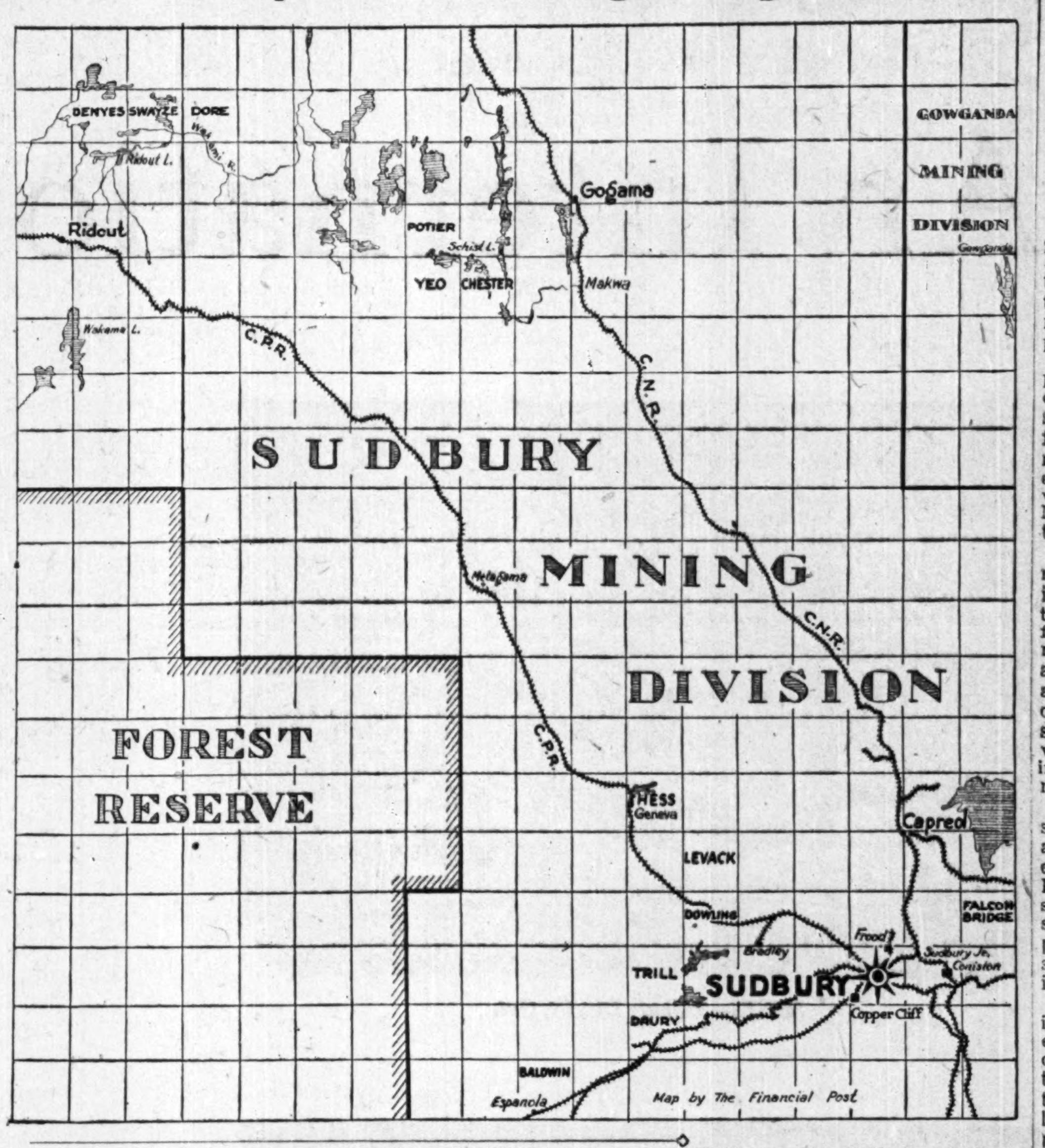
The assets that have been added by and since the merger include Mond's share of the Frood deposit, the Lavack and Garson mines, as well as the 2,000 ton smelter and surface plants of the Mond Co., at Coniston, Ont.; all the holdings of the Mond Nickel Co., in Great Britain, including its main metallurgical plant at Clydach, Wales; four refining and fabricating plants in Acton, near London; the subsidiaries of the Mond Nickel Co., including Henry Wiggin & Co., Tareni Colliery Co., Clydach Estates Ltd., American-Mond Nickel Co., Cromite Foundry Co., and part interest in the Victoria Syndicate, Ltd.

Additions Impressive

While these additions to the company's assets are impressive, the major part of the $50,000,000 expansion programme has been made since the merger was effected. The major part of this expansion included the developing and equipping of the Frood mine for production purposes, the construction of an 8,000-ton concentrator and a 5,000-ton daily capacity smelter at Copper Cliff. The balance of the $50,000,000 was spent rehabilitating the Levack, Garson, Creighton mines, the hydro-electric plants and the Coniston smelter in the Sudbury district, as well as an investment of approximately $4,000,000 in the new Ontario Refining Co. In Great Britain large sums were spent on rehabilitating the Clydach refinery, the Acton plant, the Birmingham plants, the Tareni Colliery, the Clydach Estate and the London offices. In the United States, the Huntington and Bayonne plants each came in for their share of improvements, while at Port Colborne, Ont., the electrolytic nickel refinery was improved and expanded commensurate with the other operations of the company. In addition, numerous smaller investments were made in subsidiary operations.

It is thus seen that while all of these assets have been added, which today give a book value of $9.42 to the common shares, the present public valuation, as indicated by the stock market, was actually over 3½ times greater in 1928 before the merger was effected.

Sudbury is Centre for Big Mining Area



Well served by railways, Sudbury is becoming focal point of new gold developments to the north.

Sudbury and Nickel Are Now Synonymous

Nickel and Sudbury are synonymous. So closely have they become associated that in thinking of one the other flashes to mind. The boat-shaped area, approximately 36 miles in length and 18 miles in width, known as the Sudbury Basin, has been described as the hub of Canada's mining and metallurgical industry, with the operations of the International Nickel Co., Canada's largest mining and metallurgical enterprise, the focal point.

The area, with the City of Sudbury the central point, has become famous throughout the world as the chief source of nickel. It is also the Dominion's largest producer of copper and gives promise of being an important producer of lead and zinc until low prices curtail its exploitation.

In precious metals it has a commanding position for associated with the nickel-copper ore is platinum and metals of the platinum group, so vast in extent that today they are one of the world's chief sources of supply. In addition, gold and silver is also recovered.

The "Sudbury Gold Belt" is a term that may henceforth apply to that area lying northwest of Sudbury between the main lines of the Canadian National and the Canadian Pacific Railways. During the present year intensive exploration has been rewarded with gold finds bearing favorable reports by Governmental geologists. The Swayze area, comprising the adjoining townships of Swayze, Denyes and Dore is about 110 miles northwest of Sudbury, while the Three Duck Lake or Shist Lake area, in Yeo and Chester townships, is about 80 miles northwest. In Hess Township, 35 miles northwest, is a developed and equipped lead-zinc property only waiting improved metal prices to start into production. In Balfour and Creighton Townships a huge lead-zinc-copper deposits has been developed and equipped with a pilot mill ready to start big scale operation when metal prices improve.

SMELTER FUMES BEING UTILIZED TO MAKE ACID

Canadian Industries Ltd. Established New Industry in 1930

A new industry for Canada was established in 1930, by Canadian Industries Ltd., with the construction of a plant adjoining the International Nickel smelter, for the manufacture of nitre-cake and sulphuric acid.

The plant is the largest sulphuric plant in Canada with a capacity of 150 tons of acid daily. Provision was made in its construction for further expansion as requirements demanded. The primary operations of the company utilize the waste gases from the International Nickel smelter and thereby mitigate the fumes nuisance.

While sulphuric acid is the primary product of the company it is also equipped to produce 225 tons of nitre-cake and an essential flux is used in the separation of nickel-copper matte. It was this agent, discovered a number of years ago, that resulted in the solving of a metallurgical problem in the separation of the two metals and was one of the important steps in metallurgical history of the treatment of the nickel-copper ore.

To produce nitre-cake, sodium sulphate is mined and shipped from a deposit near Orminton, in southern Saskatchewan, owned by the Horseshoe Lake Mining Co., a subsidiary of International Nickel. The sodium sulphate is subjected to a process involving the use of considerable sulphuric acid resulting in the product, nitre-cake.

The Mond Nickel Company before its merger with International Nickel carried out some experiments on the utilization of sulphur fumes to manufacture sulphuric acid so that the development is not entirely new to the district. These experiments were carried out at Coniston, about 1925, and valuable experience was gained. The plant was later sold to the Canadian Industries Ltd., and was a forerunner of the new plant at Copper Cliff.

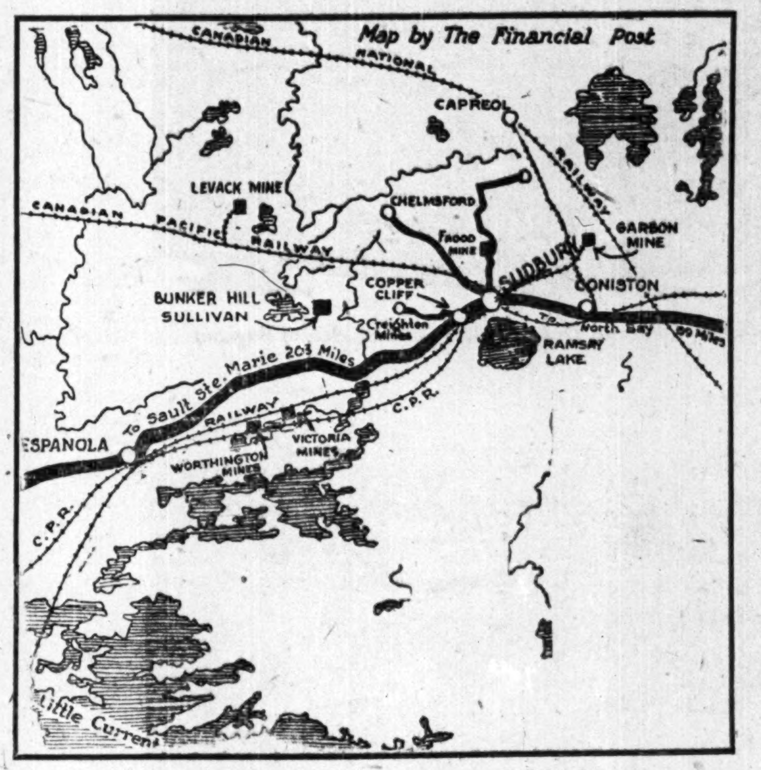
As the commercial importance of the Copper Cliff plant increases as a sulphuric acid producer, a greater proportion of the waste gas will be utilized. Normally, about one-half of the present acid is taken to make nitre-cake but indications point to increased demands for sulphuric acid in other lines of industry that will require the facilities already provided for.

Nova Scotia Gold Production

The province of Nova Scotia produced 2,341 ounces of gold in 1930, an increase of 773 ounces over the previous year. The actual gold recovery, the annual mines report of the Provincial Department of Public Works and Mines states, does not bespeak the revived interest in the gold fields and the progress made recently in testing new developments.

City of Sudbury

"The Metropolis of Northern Ontario"



Served by two railroads and splendid highways

Statistical Information

Value building permits 1931
$575,000.00

Population 19,651

Funded debt $3,009,801.50

Bank clearings, 11 months
1931, $33,423,813.94

Total assessment 1931
$12,293,339.00

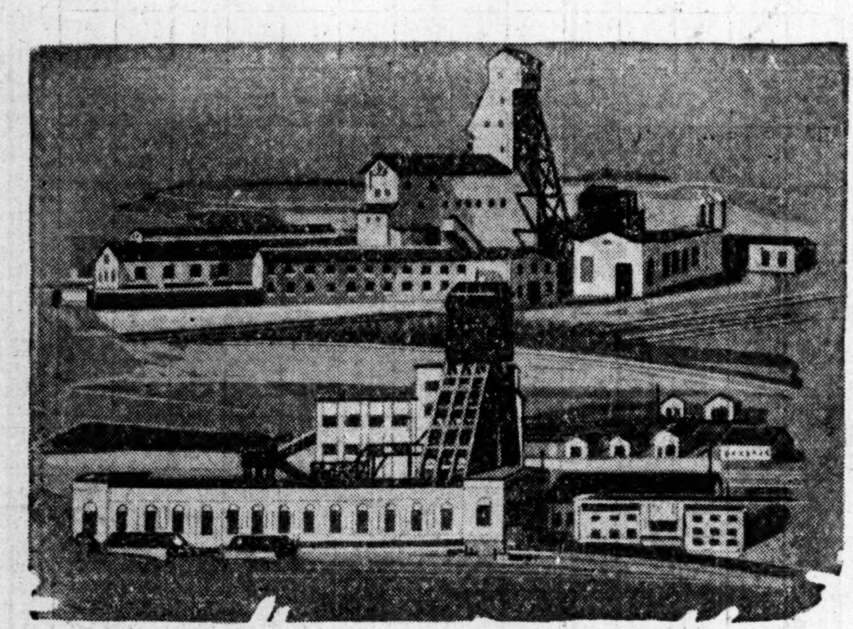
SUDBURY, ONTARIO

Is situated in the centre of the famous Nickel Belt. Has splendid transportation facilities. Has a deep water outlet at Little Current. Has 13 miles paved roads, 25½ miles concrete walks. Has the best water in the North Country. Has 35 miles of mains and 31 miles of sewers. Has ample fire and police protection. The water works plant at Ramsay Lake provides 6,000,000 gals. per day at pressure 75 to 100 lbs. Has splendid schools and a fine hospital. Every banking facility. Has the finest aeroplane base in Canada. Ramsay Lake is the safest lake to land on in Northern Ontario. Has splendid golf courses. Is on the Soo-Toronto, Soo-Ottawa Highway. Where nature is to be seen in all her unspoiled beauty. Modern, first class stores and wholesale distributing warehouses.

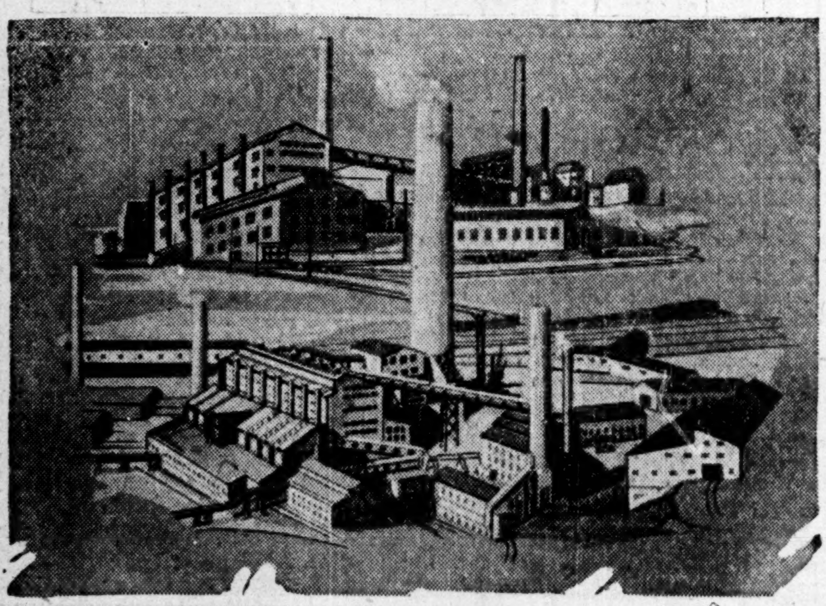
Consider this great section in your summer plans.

Sudbury welcomes you as a visitor or permanent resident.

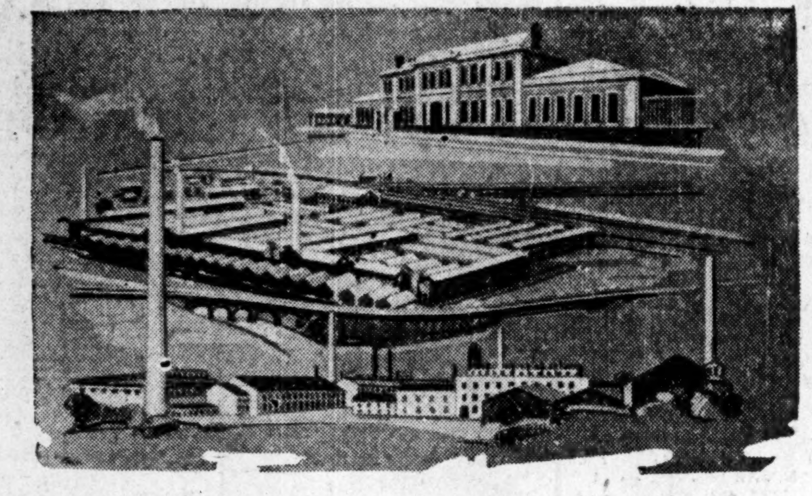
An International Enterprise



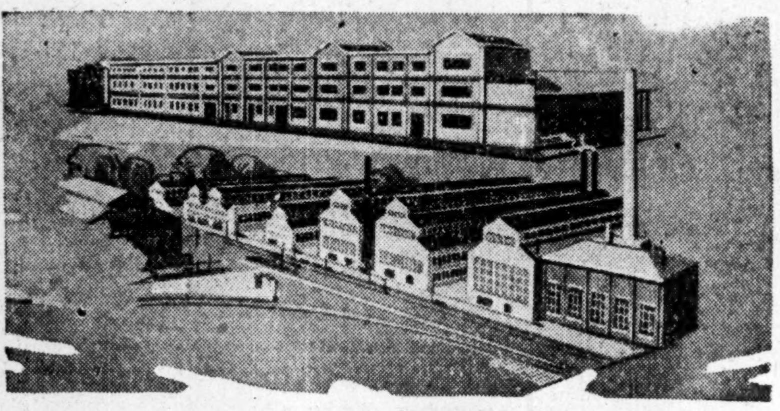
MINES—Sudbury District, Ont.



SMELTERS—Copper Cliff, Ont.; Coniston, Ont.



REFINERIES—Port Colborne, Ont.; Clydach, Wales; Acton, England



ROLLING MILLS—Huntington, W.Va.; Birmingham, England

Founded on Canada's Mineral Resources

CANADA supplies over 90 per cent of the world's nickel requirements from The International Nickel Company of Canada's ore deposits in the Sudbury Basin, Ontario.

These great Canadian mineral resources are the foundation of a vast national and international enterprise including the mining, smelting and refining of nickel and copper; the production of silver and gold; the making of "Monel Metal" and platinum metals; four hydro-electric power plants in Canada developing 38,000 H. P.

The company maintains a department of development and research which is increasingly responsible for new uses of nickel. Industrialists are invited to seek the full co-operation of this research division in the study of metal problems involving nickel.

Serving Expanding World Markets

The company has not only diversity of products with their uses diversified in various fields of industry, but the market is geographically diversified throughout the world.

The establishment of development service bureaus in Belgium, France, Germany and Italy has already proved a valuable asset.

Ample ore reserves, modern plants, and an experienced personnel are behind an organized market development effort which will unquestionably extend the use of the company's products.

NICKEL

Nickel is an elemental metal which is used both in its pure state and in combination with other metals. It alloys with iron, copper, chromium and other metals, and forms with them a group of important alloys and steels, which are serving to meet the diversified requirements of engineering and of industry. Nickel steels, nickel cast irons, nickel silver, chromium-nickel and copper-nickel alloys are among the "key" materials of industry.

MONEL METAL*

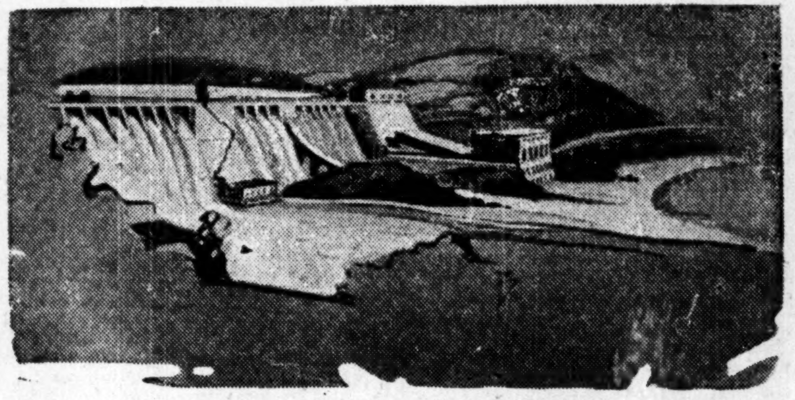
Durability is the mark of bronze, strength that of steel, and beauty that of silver. Monel Metal is superior to bronze in durability, equals steel in strength, and resembles silver in appearance. This combination of properties gives Monel Metal its own particular place amongst metals. It is amenable to hot and cold working by all the commonly used arts and practices.

*Monel Metal is a registered trade mark applied to a technically controlled nickel-copper alloy of high nickel content. Monel Metal is mined, smelted, refined, rolled and marketed solely by International Nickel.

COLLIERY—Pontardawe, Wales

DEVELOPMENT BUREAUS

CENTRE D'INFORMATION DU NICKEL, PARIS, FRANCE
NICKEL INFORMATIONSBURO, G. M. B. H., FRANKFURT AM MAIN, GERMANY
CENTRE D'INFORMATION DU NICKEL, BRUSSELS, BELGIUM
CENTRO D'INFORMAZIONI DEL NICKEL, MILANO (117), ITALY



HYDRO-ELECTRIC POWER PLANTS, ONTARIO—Big Eddy, Wabageshik, High Falls, Nairn Falls

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED

General Offices: Copper Cliff, Ontario, Canada

NICKEL OPERATION AT FALCONBRIDGE SECOND IN WORLD

United States Markets Now Take Output of Company

SALES 55 PER CENT

Nickel-Copper Matte is Shipped to Norway Subsidiary For Refining

In February, 1930, a new copper-nickel enterprise was established in the Sudbury area when the Falconbridge Nickel Mines inaugurated production.

This company was incorporated in 1928 by the Lindsley interests and at the present time is the second largest nickel producer in the world, although its output is but a fraction of that of its big neighbor, International Nickel.

Falconbridge property has been known for many years and was originally owned by the Longyear family of Michigan and was later acquired by the Bennett interests of Minneapolis, which formed the Falconbridge Mine, Ltd. in 1918. This company carried on preliminary exploration work, including diamond drilling, but did not get further than the preliminary examination of the property. At one time, Thomas A. Edison was negotiating for it as a source of nickel supply for his nickel-alkaline storage battery. The sponsors of the present company acquired the property from the Bennett interests in 1928 and immediately started developments and construction toward putting it on a production basis.

Owns Large Acreage

The holdings of the company comprised approximately 11,950 acres in one group in Falconbridge and Garson Townships, about fourteen miles from Sudbury on the Canadian National Railways served by a spur from Garson, three and a half miles distant.

In February, 1930, construction was completed of a mining and metallurgical plant, capable of hoisting and crushing approximately a thousand tons of ore daily. The crushing plant is connected with a 450 tons smelter by an aerial tramway, approximately one-half mile distant. While the smelter has a normal capacity of approximately 450 tons of ore daily, the average daily output of any single period has not exceeded 340 tons but provision has been made for expansion that would readily increase the capacity to 1,000 tons daily.

Electric power for operating is supplied by the Wahnapitae Power Company. The smelter product is nickel-copper matte which is broken up and shipped in barrels to the company's refining subsidiary, the Falconbridge Nikkelverk Aktieselskap, at Kristiansand, Norway. This refining plant has a normal capacity of 3,000 tons of refined nickel annually, of which 750 tons is ear-marked to treat the production of the Norwegian producers on a customs basis.

Mine Developed to 1,000 Feet

The Falconbridge Mine has been developed through a three-compartment shaft to a depth of 1,033 feet with levels established at 225, 325 and 1,000 feet horizons. Diamond drilling by the previous owners indicated an ore zone of 10,420 feet in length and further ore has been indicated by drilling, to a depth of 1,760 feet, but inasmuch as a disturbed area exists around the 1,800 foot horizon, further deep exploration has been deferred, pending deepening of the shaft. The estimated ore reserves at the end of last year above the 1,000 foot level were given at 1,609,743 tons while the estimated ore reserves below the 1,000 foot level were estimated at 669,701 tons.

The following summary of product since commencement of operation on February 4, 1930, shows the tonnage figures together with the average recovery.

	1930	9 Mos. 1931
Ore smelted, tons	71,626	81,480
Matte made, tons	2,630	3,060
Nickel content of matte, %	2.47	2.74
Copper content of matte, %	1.08	.98
Nickel in matte, tons	1,469	2,007
Copper in matte, tons	686	757

Sales Slow

In common with all base metals mining operations the company is meeting resistance in sales. Originally, it was intended that the company's products should be marketed in Europe but the upset of business conditions there has turned the company's attention to the United States market and contacts have been made with promise to take the entire production during 1932.

In the first eleven months of the year the company disposed of approximately $880,000 worth of metal out of the total of $1,600,000 produced. The sales in December have been somewhat better and the indications are that total sales for the entire year just drawing to a close will closely approach $1,000,000. This indicates upward of $760,000 in metal—almost entirely nickel, having been accumulated in reserve during the twelve months.

No statement has been made public of the company's earnings but officials advise that despite slow sales the working capital of the company has been sufficient to carry on operations without resorting to loans against the metal stock.

The authorized capitalization of the company is 5,000,000 shares of no par value of which 3,195,055 shares of which Ventures Limited own 1,536,170 shares and Sudbury Basin Mines, another Lindsley enterprise owns 1,250,000.

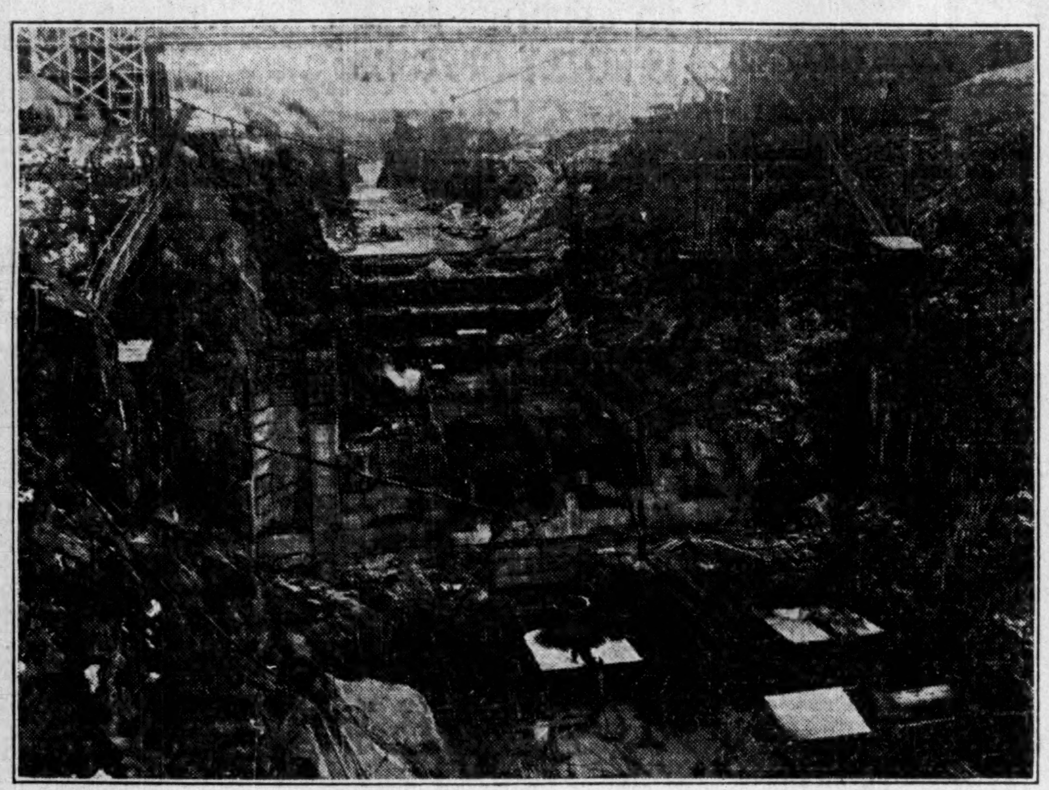
Consolidated Smelters List 28.774 of Common

From Our Own Correspondent

MONTREAL.—Montreal Stock Exchange has announced the listing upon official notice of issuance of 28,774 additional common shares of the par value of $25 each of the Consolidated Mining and Smelting Co. of Canada. Of the additional stock, 600 shares represent bonuses to the operating staff and employees who have completed three years continuous service in the employ of the company, and the balance representing a stock dividend of 5 per cent on the paid-up capital for the half year ended December 31, 1931.

With the listing of this additional stock the company will have outstanding $14,809,400, consisting of 592,375 shares of the par value each of $25 out of an authorized issue of $15,000,000.

Sudbury's New Electric Power Source



Upon its completion on October 1, 1932, the Abitibi canyon hydro-electric development by the Ontario Power Service Corp. will provide 275,000 h.p. of electrical energy, 100,000 of which has been contracted for by the Ontario Hydro-Electric Power Commission. A new transmission line was completed on October 1, 1931, to Sudbury which is taking an initial 25,000 h.p. at the present time from the Island Falls development pending the completion of the big plant.

NEW HYDRO LINE ASSURES SUDBURY ADEQUATE POWER

Abitibi Canyon Development to Be Source of Supply

On October 1, 1931, connection was made which will adequately serve Sudbury and area with power from one of Ontario's largest hydro electric developments on the Abitibi Canyon. To serve the requirements of the Sudbury area, the Hydro-Electric Power Commission of Ontario built a transmission line through a virgin area, 190 miles north to Hunta on the transcontinental line of the Canadian National Railways. From here the Ontario Power Service Corp. has constructed a line northward through its Island Falls development to the Abitibi Canyon, a further distance of about 50 miles.

At the present time power is being delivered to Sudbury from the Island Falls plant, but with the completion of the Abitibi Canyon development in October, 1932, this development will be tied in to the circuit, making connections with developments having a combined output of 335,000 h.p.

Until the economic depression hit the Sudbury area its power demands were growing at a rapid rate and seriously threatening to curb its industrial and mining activity. To meet this growing situation and provide for the future the Ontario Hydro Electric Power Commission contracted with the Ontario Power Service for 100,000 h.p. to be taken and paid for in specific amounts up to 100,000 h.p., by October 1, 1936. The initial block of 25,000 h.p. was connected October 1, 1931. Since it was impossible for the Ontario Power Service Corp. to deliver this initial block from the Abitibi Canyon, it is being temporarily supplied from the Island Falls development.

The International Nickel Co. contracted with the Ontario Hydro Electric Commission to take a minimum of 16,000 h.p. from October 1, 1931, at a price of $22 per h.p. at Sudbury.

The present contract to take 25,000 h.p. will be stepped up to 85,000 h.p. on October 1, 1932. This contract at an extremely favorable rate reported to be $13 per h.p. per year at the Hydro Electric transmission terminal, insures the area having an adequate supply of cheap power to serve its growing requirements.

Abitibi Canyon Advanced

The harnessing of the Abitibi River at Abitibi Canyon will involve an expenditure of $3,000,000 and provide for the development of 275,000 h.p. from five units of 55,000 h.p. each, operating under a head of water of 238 ft. While the initial installation calls for five units, provision is being made for eight units, giving a total capacity of 376,000 h.p.

Construction work is well advanced on the project and it is anticipated that no delays will be encountered to prevent a completion of the undertaking on the scheduled time, October 1, 1932.

COPPER REFINERY AT COPPER CLIFF EMPIRE'S LARGEST

In August, 1930, a new industry was established in Ontario adjoining the Copper Cliff smelter of International Nickel Co. The new industry was an electrolytic copper refinery owned and operated by the Ontario Refining Co., a subsidiary of International Nickel, which is the largest copper refinery in the British Empire, with a capacity of 120,000 tons of electrolytic copper annually.

While this plant was primarily constructed to refine the blister copper produced by International Nickel, it conducts a customs business refining the production from the Granby Consolidated Mining, Smelting & Power Co., and the Sherritt-Gordon Mines.

Interest in the company is divided between International Nickel Co. of Canada, which owns 42½ per cent, the American Metal Co., which owns a like amount, the Consolidated Mining & Smelting Co. of Canada, which owns 10 per cent, and Ventures Ltd., which owns 5 per cent. The plant was designed by engineers of the United States Metal Refining Co., and was constructed at a cost of approximately $10,000,000 by the Fraser-Brace Engineering Co. of Montreal, which also carried out the principal construction for International Nickel.

Nickel's Profits Reflect Its Curtailed Activities

The peak period in the company's prosperity was reached in 1929 when the common shares earned $1.47 each. These earnings represented the first year's operations by the merged companies and reflected the greatest sales in the company's history.

Had nickel sales continued to mount to the point where the full production facilities would have been exercised and had copper prices stayed at levels then prevailing, unofficial estimates made of earnings of around $5 per share on the common stock would have been realized.

With earnings reduced to one cent per common share in the quarter ended September 30, last, it makes such estimates seem visionary, yet had copper prices been maintained and a market afforded for the nickel that could be produced, earnings of $5 per share might have been conservative, rather than otherwise.

The sub-joined tabulation shows earnings of the company following the merger on January 1, 1929, with quarterly report for the current year:

	3 Mos. ended Sept. 30, 1931 $	June 30, 1931 $	Mar. 31, 1931 $	Dec. 31, 1930 $	Dec. 31, 1929 $
Earn. from all properties*	2,030,991	3,248,560	3,238,406	18,889,983	29,353,073
Less: Gen. office exp.	318,556	314,515	374,494	1,552,027	1,846,316
Reserve for taxes	60,162	187,274	145,910	1,229,657	2,682,395
Net operating profit	1,657,273	2,746,771	2,718,002	15,608,299	24,824,362
Add: Other income	27,039	63,728	15,975	616,858	1,800,587
	1,684,312	2,810,499	2,733,977	16,225,157	26,624,949
Less:					
Deprec. and depletion	923,096	991,677	954,475	3,145,796	3,054,835
Reserves				828,143	886,051
Interest paid and accr.	115,246	118,573	119,864	481,158	448,066
Net profit	645,970	1,700,249	1,659,638	11,770,060	22,235,997
Less appropriations:					
Preferred dividends	483,485	483,484	483,484	1,933,920	2,040,501
Common dividends	1,457,893	2,186,836	2,186,792	14,148,941	12,375,704
Surplus for year	1,295,408	970,071	1,010,638	4,312,801	7,819,792
Add: Previous surplus	18,665,460	19,635,531	20,646,169	24,958,970	17,139,178
Less: Adjustments	488,447	....	....	....	....
Balance carried forward	16,881,605	18,665,460	19,635,531	20,646,169	24,958,970

*After deducting manufacturing, selling expense, ordinary repairs and maintenance.

Earnings per Share and Dividend Record:					
Preferred:					
Earned	...	...	...	42%	80%
Paid	7%	7%	7%	7%	7%
Common:					
Earned	$0.01	$0.08	$0.08	$0.67	$1.47
Paid	0.10	0.15	0.15	1.00	.90
Equity per Common Share*	...	...	...	$9.64	$9.39

*Based on total assets less current liabilities, book value of funded debts and preferred deducted at 120.

Frood Deposit Rated Among Most Valuable Known in the World

One of First Discovered and the Last to Be Developed

The Frood mine has been developed to the stage where it is now supplying the bulk of the ore treated by the International Nickel Co., and it is now recognized as the world's largest nickel-copper deposit and is among the most valuable mineral deposits of any kind known.

Prior to the merger of International Nickel and Mond Nickel, each owned adjoining properties blanketing the deposit and each had started to develop a deposit independently. With the merger of the two companies the developments were consolidated and the property rapidly brought to the production stage.

One of First Discoveries

Although the deposit is among the earlier ones discovered within the Sudbury nickel range, it was not until deep exploration was undertaken by the Mond Co. that its real possibilities were learned. The property was staked about 1885 by Thos. Frood, but at the surface there is no spectacular showing, the grade of ore was not as good as the other deposits worked and the rock content was relatively high. Under development the rock content diminished until at about a depth of 700 ft. the mineralization resolved itself into lenses of massive sulphide.

In a paper read in 1929 before the Canadian Institute of Mining & Metallurgy, C. V. Corless, then general consultant to the Mond Nickel Co., commented on the development of the property as follows:

"The sulphides in the upper 800 feet of the ore body are for the most part thickly spotted through rock. There is so large a percentage of rock matter in this part of the ore body that, unless the ore is used as flux for cleaner ore, it will undoubtedly be milled before smelting.

"The ore improves with depth until, at about 800 feet from the surface, over 50 per cent of the whole is low enough in rock content to be suitable for direct smelting. The smelter grade of ore between 800 and 1,100 feet depth (on the Mond Nickel Co.'s property) averages 2.1 per cent copper and 2.4 per cent nickel. The steady improvement in the grade of ore is indicated by that on the 3,100 foot level, which shows 21 per cent copper and 1.7 per cent nickel."

In the 1929 annual report, the company gave results of development as follows:

Level	Width	Copper	Nickel	Rock
1,200	100 ft.	1.77%	2.61%	5%
1,600	48 ft.	2.9%	2.15%	9.3%
2,000	*39 ft.	2.09%	1.93%	5.9%
2,400	64 ft.	3.6%	1.5%	28%
2,800	139 ft.	12.14%	2.66%	19.2%

*Crosscut not complete.

As greater depths are reached the ore body improves as a great potential source of platinum and metals of the platinum group. Returns, according to an official statement of the ore taken from the crosscuts on the 1,600, 2,000, 2,400 and 2,800-ft. levels, showed approximately $50 in precious metals per ton of matte made or from four to five cents worth of metals of the platinum group for each pound of nickel produced and from one cent to one-and-a-half cents gold and silver for each pound of copper produced.

Mond Started Development

The Mond Co., before the merger, started the development of the deposit on its section and sunk what has come to be known as the No. 4 shaft to a depth of 3,345 ft. This is a four-compartment shaft and this year a complete new hoisting plant and surface equipment was installed that practically duplicates the No. 3 shaft equipment now used for main production operations. This shaft will serve as an auxiliary in case of any accident and supplement production requirements as needed.

The main production on No. 3 shaft is on the original International Nickel property. It is a five-compartment shaft sunk to a depth of 3,040 ft., while the hoisting and surface plant at the No. 4 shaft site is among the most modern in existence.

The entire surface plant is of steel and fireproof construction. Included within the power plant is the transformer and electrical equipment and hoists, and compressors. The primary crushing is underground but in the surface plant the ore is further reduced before being shipped to the concentrator at Copper Cliff, seven miles distant.

The company first published a statement of its ore reserves in 1929 and it will be noted in the following tabulation that the ore reserves, already proven in the Frood mine, are greater than the total of the combined other properties.

Mine	1930 Tons
Frood	136,186,469
Creighton	7,289,230
Levack	19,199,000
Garson	4,324,500
Murray	22,490,000
Stobie	13,712,000
Crean Hill	3,028,000
Other properties	959,000
	206,704,000

Merger Added Assets To Fortify Position

Present market value of common stock of International Nickel of approximately $187,279,032 is 50 per cent below the low point in 1928 before the merger with the Mond Nickel Co. was considered.

Market value of International Nickel Co. (N.J.), just before the merger was $663,702,709 or 3½ times the present value.

Assets added by reason of the merger with Mond greatly enhanced the company's position as regards ore and plant facilities.

Expansion programme completed since the merger includes the major part of the $50,000,000 expenditure.

SUDBURY SEEKS NEW INDUSTRIES; CAN OFFER MUCH

City May Eventually Become Centre of Chemical Manufacturing

LABOR ABUNDANT

Electric Power Available at Low Rates—Rail Connections and Industrial Sites Good

Sudbury has long been noted for its position as a mining centre, the headquarters of International Nickel Co. and the focal point for prospectors operating throughout northern Ontario. But through its strategic position as a source of supply for northern Ontario and its excellent railway connections there has opened still further possibilities of the city becoming an industrial centre of importance with regard to chemical industries.

In the International Nickel Co. the city has a mining enterprise that has reached the status of an industry with ore reserves sufficient to ensure operations for many years. The establishment of a refinery with an annual capacity of 120,000 tons of refined copper is but one comparatively recent outgrowth of the large ore reserves in the vicinity of Sudbury while the completion of a plant for the manufacture of sulphuric acid and nitre cake by Canadian Industries Ltd. has opened a new field. Nitre cake is used by International Nickel Co. in its refining process and the Canadian Industries plant has a capacity of 150 tons of sulphuric acid and 250 tons of nitre cake daily. Part of the production of acid is available for other uses and citizens of Sudbury look forward to the establishment of chemical industries in the not too remote future.

With its powerful affiliations, Canadian Industries Ltd. is a leader in its field. Research work has been carried on for some time on the utilization of sulphur fumes from the smelter for manufacture of products other than sulphuric acid and some success has been achieved. Reduction in cost of production of sulphur from smelter gases would be of great value to Sudbury as pulp and newsprint companies operating in northern Ontario are large users of this chemical.

To Get Abitibi Power

Completion of the Abitibi Canyon development by Ontario Power Service Corp. in the latter part of 1932 will have a material effect upon power costs. Of the 275,000 h.p. to be developed from this site the Ontario Hydro-Electric Power Commission is taking some 100,000 h.p. of this amount, some 60,000 h.p. will be available to Sudbury, and International Nickel has contracted for 16,000 h.p. at $22 per horsepower. Adequate power at reasonable rates is an important item to chemical industries and solution to this problem will be given when the Abitibi Canyon development is completed.

Labor is also an important factor in manufacturing and Sudbury has been known for long as an employment centre. Seasonal labor used in the north tends to converge in Sudbury in off seasons. From the industrial standpoint much of this labor is unskilled but there is also a fair proportion of men trained in the newsprint mills and other industries. The availability of cheap home sites is an item that supplies a stabilizing element while good schools, churches, recreational facilities and local improvements are also effective. Sudbury has a name throughout the north country for being a good live town, a place men are glad to return to.

With the development of the north, Sudbury has taken an important place as a distributing centre. A number of wholesale houses have established branches in Sudbury from which to supply logging and mining camps and pulp and paper companies carrying on operations further north. Railways also use the city as a source of supply and a farming community of some 30,000 people occupies Blezzard Valley which is a fruitful farming district close to the city.

The city is located on the transcontinental line of the Canadian Pacific Railway and has good connections with the main line of the Canadian National Railway. It is also the terminus of the Algoma Eastern Railway which gives access to Little Current, on Georgian Bay. Sudbury is therefore well served with rail connections and numerous industrial sites with rail facilities are available. The railways tap a country to the north that has had a very material development in the past decade. Much in the way of natural resources remains to be exploited and the population of this country regards Sudbury as its shopping centre. Further development may be expected in the future and Sudbury is in a position to benefit to the full from any progress made in the large area that is commercially tributary to it.

Employ Men on National Park

Further contingents of Winnipeg men are being employed on the Riding Mountain National Park project. Aside from the 400 who originally went there 100 more will be leaving in a few days, followed by reinforcements in hundreds until eventually a thousand single men from Winnipeg will be engaged in this work.

NICKEL INTERESTS PAY $145,370,564 TOTAL DIVIDENDS

Dividends of Merged Companies Far Exceed Any Canadian Mining Enterprise

Dividends disbursed to shareholders of International Nickel Co. of Canada and its predecessor companies hold all records for mining enterprises in Canada, with disbursements totalling $145,370,564 including the dividend payable on December 31 next.

The first company to pay dividends was the Canadian Copper Co., which between 1894 and 1901 disbursed $1,975,000. This company and others were merged in 1902 to form the International Nickel Co. of New Jersey, which between 1902 and 1928 disbursed preferred dividends totalling $12,299,273. It also paid common dividends between 1909 and 1919 and again from 1925 to 1928, disbursing a total of $65,811,694.

The Mond Nickel Co. paid a deferred dividend between 1906 and 1914 of £264,043. Between 1904 and 1928 it paid preferred dividends totalling £2,381,359 and between 1905 and 1928 it paid dividends on common stock totalling £2,352,818. Early in 1929 it paid £175,000 on preferred stock and £229,166 on common stock to cover the eight months' period ended December 31, 1928, since its merger with the International Nickel Co. of Canada became effective on January 1, 1929. The total value of the dividends disbursed by the Mond Nickel Co. in terms of Canadian exchange of par was $26,291,126. Following the merger the International Nickel Co. of Canada will have disbursed a total of $38,993,471, with the payment on December 31 next, making the combined dividends of all the companies a grand total of $145,370,564.

On the present capital structure seven per cent preferred dividends are paid quarterly on February, May, August and November 1. An initial dividend on the common stock of 20 cents per share was paid on March 30, 1929, followed by a like disbursement on June 30, 1929. The September 30 and December 30 quarterly disbursements each carried 25 cents per share, making the total disbursement for 1929, 90 cents per share on the common stock. In 1930, 25 cents per share quarterly was paid on March, June, September and December 30, or an annual disbursement of $1 per share.

With the disbursement on March 30, 1931, the common dividends were reduced to 15 cents per common share quarterly followed by a like disbursement on June 30. On September 30 the quarterly rate was further reduced to 10 cents per share and for the payment due December 31 next the common dividend will again be reduced to five cents per share, making the total disbursements for the current year 45 cents per share.

Although the knowledge of nickel dates back to medieval times, the difficulties offered in treating the metal barred its use for centuries and it was not until it was introduced for armament purposes that a real impetus was given to production.

The discovery of nickel in Ontario dates from 1848 when Alexander Murray, a government geologist, found traces of the metal in the ore of the Wallace mine under development near the mouth of the White Fish River.

Nickel Official

J. C. NICHOLLS

Assistant to the president of International Nickel Co., who was general manager of the company until the demise of J. L. Agnew. Mr. Nicholls recently moved to Toronto from Sudbury.

TREADWELL-YUK. PLANS TO AWAIT IMPROVED PRICES

After Spending $5,000,000 and Planning Smelter Work Suspends

A base metal enterprise in the Sudbury area that apparently had great potential importance was the Treadwell Yukon Co. until the drop in base metal prices deferred its ultimate programme and forced operations to suspend. The company is a subsidiary of the Bunker Hill and Sullivan Mining & Concentrating Co. of San Francisco, one of the largest United States mining enterprises which, together with its associates, owns 90 per cent of the outstanding capitalization.

The company's Errington mine, about 17 miles west of Sudbury, is a lead-zinc property that was being developed for large scale production. A 300-ton daily capacity pilot mill was started in April, 1928, but suspended operations in November, 1930. The mill successfully worked out a treatment of the complex ore, producing three concentrates, copper, lead and zinc, containing precious metals and it was the plan of the company to construct a 2,000-ton concentrator and smelter until low metal prices halted the company's plans. It is estimated $5,000,000 was spent on the property before development operations finally stopped last week.

Has Many Properties

The Errington mine is but one of several properties operated by the company, others being located in Alaska, Nevada and California.

The company pioneered the development of the lead-zinc deposits in the area and is the only one that has received any extensive development.

The Fowler Hardware Co.
Limited
SHELF and BUILDERS'
HARDWARE
Prospector's Supplies and Sporting Goods
SUDBURY · · ONTARIO

EXPLOSIVES . .
THE KEY TO NATURE'S TREASURE CHEST

BLASTING is the short cut to success . . . explosives the magic wand of the nation builder. In Canada, the great unprospected north is being opened up and vast reserves of wealth brought to the surface to offset the world's depleted resources. Men are too busy up there to think much about the "Depression." And C-I-L Explosives are doing their share in the battle to bring back Prosperity.

The engineer of today uses dynamite as he uses a slide rule. It solves every problem, answers every question. It is the tool that makes it possible to build skyscrapers, bridges, dams, subways, tunnels, roads and railroads. Canadian Industries Limited, through its Explosives Division, has anticipated the growing needs of the engineer for specific types of explosives for all types of work.

Whenever you need exact information on the selection and use of explosives on some particular blasting operation, get in touch with our nearest branch. The cumulative experience gained in many years of developing and manufacturing explosives is always at your disposal.

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EXPLOSIVES DIVISION
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Canadian Mining News

COPPER CUT TO QUARTER OF CAPACITY

World Producers Agree to Reduce Output

PRICES ADVANCE

Noranda Reduces to 40 Per Cent of Capacity Without Affecting Gold Output

Following close after the announcement of the withdrawal of the resignation of the Phelps Dodge Corp. from the Copper Exporters Inc., was a statement on December 21, by the Copper Institute that the copper producers of the world, representing more than 90 per cent of the world's copper production, had voluntarily agreed to curtail further the output of copper to approximately 26½ per cent of the estimated capacity.

The curtailment is to become effective on January 1, 1932, the statement says. It is expected that the principal Canadian and South American mines not heretofore members of the Copper Exporters Inc., will join on the condition that certain of the rules are modified.

A series of conferences have been held in New York in recent weeks by the leading copper producers of the world, but the meeting was adjourned without any evidence of agreement being reached as to how curtailment could be equitably arranged. The Belgian interests, representing the Katanga mines in Belgian Congo, left the conference refusing to accept the quotas assigned to them. Upon arriving home it is apparent that they gave further consideration to the situation since they have now agreed to accept the quota estimates worked out. There was general belief among the American producers, at the time the conference adjourned, that the last word had not been uttered by the Belgians and that they were angling for a more favorable position.

Copper Stocks Mounting

As the visible stocks of refined and blister copper continued to mount there was increasing evidence that some measure would have to be taken to curb the situation, either by voluntary curtailment or by the higher cost producers closing down. The latter have been struggling for many months to keep going in the face of adverse copper prices, the lowest in the history of industry and a close down was regarded as being a possible finish to some of them. Curtailment was sought in order that the mounting stocks of refined copper might be stemmed and that production might be tuned in line with consumption and make for higher prices.

Stocks Total 357,000 Tons

At the present time the visible stocks in North and South America are estimated at 178,000 tons of blister copper and 479,000 tons of refined copper. The consumption of the metal was about 100,000 tons monthly last fall, but the demand has slackened since that time.

The capacity of the Katanga plants is estimated at 132,000 tons of copper annually, but under the agreement just made, it will be permitted to produce 90,500 tons, of which but 50,750 tons can be marketed. The balance must be placed in storage.

Under the curtailment programme the copper output of the members of the association will be reduced to about 60,000 tons monthly. In addition there is production not represented by the association that will make the total output approximately 85,000 tons per month.

Noranda Affected

The only announcement to come from the Canadian producers was made by Noranda. J. Y. Murdoch, president of the company, said Noranda had agreed, conditionally, to reduce copper production from 60 per cent to 40 per cent of rated capacity, but has not joined with Copper Exporters Inc., in the move to reduce production to 26½ per cent of rated capacity. Noranda's output of precious metals remains unchanged, and its current gold production of slightly more than $5,000,000 per annum will continue. The company can accomplish this by choosing suitable ores for treatment.

No Formal Agreement

The statement of the Copper Institute stressed that there had been no formal agreement, but only a voluntary curtailment, the institute having no power to inform the production quotas. The announcement of the curtailment was accompanied by an advance in export copper from 6½ cents per pound to 7½ cents.

The statement by the institute, in part, is as follows:

"After discussion as to a proper basis for proposed reduction, a consensus of opinion was reached that operation ought to be reduced to a basis of approximately 26½ per cent of estimated capacity, beginning January 1, 1932. No formal agreement has been made; there is no authority to enforce the reduced rate of production, nor is there any restraint that prevents any individual action that may be taken by any company. In these discussions over 90 per cent of the world's production was represented, of which approximately 70 per cent is from mines situated outside of the territorial limits of the United States.

"In order that the reduced operations contemplated in the discussion may not result in unduly advancing the price of copper, it was the view of all the producers that curtailment should cease when the total stocks of copper above ground shall not equal in the aggregate the total of the deliveries in the preceding four months. The processes of production from mine through smelting, refining, transportation to market, normally require the tie-up of an amount in tonnage roughly equal to three times the current monthly rates of delivery.

"Twelve cents a pound was approximately the lowest level reached by copper during the present century prior to the present depression. It is a price below which but few mines—only one or two of which are situated in the United States—can be operated at a profit allowing a return of the capital invested with 6 per cent interest thereon. In order to prevent the curtailment from being utilized in unduly advancing the price of copper, if the price of copper shall exceed for a period of 15 days the price of 12 cents a pound (Connecticut) valley delivery, the curtailment shall cease, no matter what existing stocks may be.

Nickel's Production 30 Per Cent Capacity

In 1930, the peak year of production for International Nickel was established, not that sales justified such a production, but rather that the heavy demand of the preceding year had so reduced the company's stocks that it was necessary to maintain a higher rate of production that they might be replenished.

During the first nine months of the current year the tonnage of ore smelted has declined 14 per cent below last year's peak. In the same time the nickel content of the matte produced has declined about 26 per cent, while the copper content of the matte produced has declined approximately 39 per cent. From these figures it is evident that the company is treating its lower grade ore, particularly ore of lower copper content and at the same time maintaining a higher ratio of nickel production to copper than previously. Production of platinum, however, shows a substantial increase over 1929 for the same period despite the decreased tonnage of ore treated, reflecting the higher platinum content of the ore coming from the Frood mine.

While different plants are operating at different capacities, a weighted average throughout the whole organization will show they are running at about 30 per cent of capacity. Recently further curtailments in mining operations were put in force at the Frood mine in order to place the mining operations more in tune with the sales and other departments.

The sub-joined tabulation shows a comparison of production for 1929 and 1930 together with nine months of 1931.

	9 Months 1931	1930	1929
Ore hoisted, tons:			
Levack mine	......	......	368,686
Garson mine	......	277,500	246,049
Creighton mine	......	861,770	1,177,823
Frood mine	......	902,531	199,852
Total Inco	1,293,245	2,041,801	1,991,910
Ore concen. & smelt. at Copper Cliff plant	......	1,472,782	1,306,946
Ore smelt. at Coniston plant	......	812,345	726,511
Total ore concen. & smelted, tons	1,470,830	2,285,127	2,033,457
Bessemer matte made at Copper Cliff plant	......	106,194	91,613
Bessemer matte made at Coniston plant	......	57,896	40,417
Total matte made, tons	79,567	164,090	132,030
Nickel content of matte, tons	31,574	61,112	58,095
Copper content of matte, tons	30,964	70,800	46,315
Matte treated in Canada, tons	64,739	137,364	109,818
Matte exported, tons	......	31,920	28,402
Gold recovered, oz.	10,742	22,862	7,802
Silver recovered, oz.	586,753	1,067,092	429,541
Platinum metals rec., oz.	44,988	68,040	29,615
Total value of precious metals recovered, $	1,704,205	3,316,420	1,646,381
Precious metals, value per ton, *$	1.16	1.45	0.81
Nickel content, per cent†	2.14	2.68	2.85
Copper content, per cent†	2.1	3.1	2.27
Nickel refined (Port Colborne) lbs.	......	61,704,271	81,909,339
Nickel refined (Clydach) lbs.	......	25,406,746	27,987,869
Platinum metals refined (Acton) oz.	......	71,260	30,513

*Based on tonnage treated.

†Based on ratio of ore smelted to copper and nickel content of matte made.

N.A.M.E. TO DRILL DISMAL LAKE FIND EARLY NEXT YEAR

Arctic Route Said to Be No Barrier to Transportation

Annual meeting of shareholders of Northern Aerial Minerals Exploration Co. was held in Toronto on December 19, at which time J. E. Hammell, president of the company, stated that drilling equipment for an extensive programme had been delivered to the Dismal Lake property in the Copper Mine River area, and will be ready for use when operations are resumed next spring.

Mr. Hammell said that several deals were pending for the company's holdings at Great Bear Lake, but that unless a good cash payment and a substantial share interest can be secured, the company will undertake the development itself.

The Pickle-Crow claims of the company in the Patricia district of Ontario have been made ready for patents, and negotiations are under way with a substantial mining enterprise which is interested in the property.

Good Copper Ore Shown

The company's bornite finds near the Dismal Lake in the Copper Mine River area have been sufficiently explored to confirm the existence of a moderate tonnage of extremely high-grade copper ore with possibilities of a large tonnage of lower-grade being present. A geophysical survey was made this summer, which indicates that several high-grade lenses are present, but that it will take diamond drilling at depth to confirm their existence, owing to the heavy overburden existing.

While current copper prices do not encourage exploration for copper, the high-grade ore found is considered worth while once copper prices stage an advance, despite the long transportation involved.

Tractor Haulage Possible

The site of the find is within favorable tractor haulage distance from Coronation Gulf and from there the route would lie through Beaufort Sea around Point Barrow, through Bering Strait, and down the Pacific Coast to a smelter. Some say this transportation route would be impractical and point to the "Baychino," a Hudson Bay Co. boat, having been frozen at Coronation Gulf this year, unable to get out. The fact is that regular transportation is conducted to Coronation Gulf every summer. The Northern Whaling & Trading Co. has had a boat in and out of the area every year in the past 17 years and has always had a successful passage. The "Baychino" was frozen in this year, owing to the numerous calls it made en route to Coronation Gulf, which delayed its return until too late. It is claimed that from 2,000 to 5,000 tons of ore could be handled per trip and that the cost of such transportation would be in the vicinity of $15 per ton to points near Vancouver.

Vacuum Gas Meets Operating Expenses

Vacuum Gas & Oil Co., operating in Norfolk county, southwestern Ontario, has all the gas production from one well and 50 per cent of the gas from another well, according to official information. This production, while limited, is said to be sufficient to meet the company's expenses and arrangements are being entered into to drill additional wells on its leases on a fifty-fifty basis.

The company has no obligations, except its capital, which now stands at approximately 935,000 shares of $1 par value, out of an authorized capitalization of $1,000,000.

SISCOE PROCEEDS WITH PROGRAMME OF DEVELOPMENT

Contract Let For 10,000 Feet of Diamond Drilling

Siscoe Gold Mines is to proceed immediately with an increased development programme including an extensive diamond drilling campaign.

The company has let the contract for 10,000 ft. of drilling to the Sudbury Diamond Drilling Co., to drill a line of holes northwest from the ore zone to explore the south contact in that direction and one drill will be operated underground. Last winter preliminary drilling in this section produced encouraging results but as drilling can only be done during the winter months it is thought advisable to employ three machines on this work. Some of the drilling will be directed toward further exploration of the main line section where encouraging results were reported three years ago.

In November gold bullion to the value of $61,981 was produced, as compared with $67,101 in October, making the total value of the gold bullion produced in the first eleven months of this year, $674,000, exclusive of the premium. Hoist trouble during November is reported as interfering and accounting for the diminished output.

Officials report that negotiations are still in progress with the Sullivan Gold Mines toward Siscoe taking an interest in that property. No definite arrangement has as yet been completed.

CANADA'S OUTPUT IS 12.7 PER CENT OF WORLD'S GOLD

10 Months' Figures Shows Canada Leading U.S. By 30 Per Cent

Gold production for the Dominion of Canada, as reported by the Dominion Bureau of Statistics, for the ten months ended October 30, 1931, was 2,201,286 oz. as compared with 1,684,601 oz. in the corresponding period of 1930—an increase of 30.7 per cent.

The world output in the first ten months of the current year was 17,305,310 oz. as compared with 16,682,744 oz. in the corresponding period of 1930—an increase of about 4½ per cent. The Transvaal, the world's leading gold producing centre, had a production in the first ten months of this year of 9,050,282 oz., as compared with 8,930,000 in the same period of 1930, or an increase of 1.4 per cent. The production of United States and its colonies for the ten months of this year was 1,695,000 oz. as compared with 1,870,000 oz. in 1930 or a decrease of about nine per cent.

On the basis of the world production for the first ten months of this year, Canada's output is equivalent to 12.7 per cent as compared with 10.1 per cent in 1930. The output of the Transvaal in the same period was 52.2 per cent of the world's total as compared with 53.8 for the similar period in 1930. The United States output for the first ten months was equivalent to 9.8 per cent of the world's output as compared with 11.3 per cent in the same period of 1930.

The decline in gold output in the United States this year was accompanied by similar declines in South Rhodesia, Mexico, Europe and Asia.

On the other hand, Transvaal, Canada, Australia, India, West Africa, South and Central America are all producing more than a year ago. Canada's production has staged the largest gain of any major gold producing country with a new high record, while the output of the Transvaal is also showing the greatest production in its history.

Index of Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 57.1 for the week ending December 17, as compared with 61.4 for the previous week.

Eleven gold stocks fell from 61.1 to 57.3, four gold-copper stocks from 66.0 to 59.8, and five silver and miscellaneous stocks from 28.2 to 26.5.

Lorne Gold to Allot Holdings in Bralorne

At the annual meeting of shareholders of Lorne Gold Mines, held in Vancouver recently, it was intimated that when the agreement with Bralco had been completed it was the intention to allocate to Lorne shareholders, pro rata, the 400,000 shares held in Bralorne Mines, formed to develop the property.

Early in 1931 when Lorne Gold Mines became involved financially an offer was accepted from Bralco to make the final payment on the Lorne property, provide $50,000 for development and $150,000 to build a mill and a power plant in consideration of 60 per cent interest.

The Bralorne Mines was formed with a capitalization of 1,000,000 shares of no par value, of which Lorne Gold Mines holds 400,000 shares and Bralco holds 600,000 shares.

Since there are 2,700,000 Lorne Gold shares outstanding, it would mean that Lorne shareholders would receive about one Bralorne share for each seven Lorne shares held.

Under the terms of the agreement with Bralco, production must first return the $200,000 it ventured in the project, after which it will share in profits on a 60-40 basis with Lorne.

Construction of a mill at the Lorne property is progressing favorably, and it is expected that it will be in operation by the end of January next.

F. W. Rounfell, president of the company, told the shareholders that there was enough ore in sight to pay all the charges against the property and the cost of the development work.

KIRK. LAKE GOLD SHAFT FACILITIES DEEMED ADEQUATE

No New Shaft Needed for Production Planned

GOING TO 7,400 FEET

A Third Hoisting Unit to be Installed at 4,900 Ft. Level to Serve Deeper Work

From Our Own Correspondent

KIRKLAND LAKE.—Shareholders of the Kirkland Lake Gold Mining Co. have seen their property progressing at such a favorable rate that it has given rise to various surmises as to the possible capacity to be expected in due time.

It has been commonly believed that a new shaft might figure in the future development of the mine, should results at lower levels measure up to expectations. The Financial Post has consulted leading officials of the Kirkland Lake Company, however, and is informed that, contrary to general opinion, it will not be necessary to provide any further shaft in order to permit the enterprise to multiply its production.

Work at present is conducted in one vertical lift to 2,500 ft. in depth, and thence, through a winze in one more lift to 4,750 ft. in depth. The mill has been operated at 150 tons daily and is being increased immediately to 175 tons per day. As a result of operating at this basis, it has been possible for officials to measure the possible capacity of the present shaft. The opinion of J. B. Tyrrell, president of the company, as well as of W. M. Sixt, manager, is that through operation of high-speed hoists and the employment of proper skips, the present shaft would permit 600 to 700 tons of ore to be drawn daily if so desired.

Going to 7,400 Feet

Developments below 3,600 ft. in depth have undergone a distinct change, stated Mr. Tyrrell. The value of the ore and the general composition of the deposit is almost identical with that on Teck-Hughes and Lake Shore to the immediate east. The present hoisting equipment, now working to 4,750 ft., will permit another level to be reached. This sinking to 4,900 ft. will be done during 1932, as well as the extension of drifts across the property at various of the new levels between 4,000 and 4,900 ft. A large working station will then be installed, suitable for a further 2,500 ft. of sinking.

Records during the past year show every reason to believe an average of approximately $12 per ton will be established from this date forward. Treating 175 tons daily, the output for 1932 may be expected to reach about $750,000. Mr. Tyrrell says the present rate of profit is about 40 per cent of the gross yield, a fact which indicates profits of approximately $300,000 per year on this basis. As the company had an output of $419,000 at the close of November and indications of $450,000 at the close of 1931, it will be seen earnings are mounting at a rapid rate. This strong financial position as well as the increase in earnings lead officials of the Kirkland Lake mine to express the hope that some action may be taken next year toward an initial dividend.

In event of lateral developments at the various new levels measuring up to expectations, the latter part of 1932 would find the company going ahead with plans to machine the present shaft for the outlet of ore in greater volume, as well as making arrangements for erection of another mill unit.

ACME GAS & OIL INCOME REACHES $25,000 MONTHLY

Official Statement Shows Progress Made Since Reorganization

An official announcement by Acme Gas & Oil Co. confirms the report made in The Financial Post four weeks ago as to the present position of the company, now earning close to $25,000 per month.

Following a reorganization last spring, the company sold 500,000 treasury shares to liquidate its debts and rehabilitate its finances. Now it has a steady income, which in November amounted to $24,609, and cash in its treasury.

In the Oklahoma field the company owns 82 per cent interest in an oil well, which was tested last spring, showing a flow at the rate of 42,686 barrels per day. This well is subjected to the proration curtailments and currently is giving an allowable production of 776 barrels per day, plus a back allowable production of 135 barrels daily on account of the time the field was shut in last summer. The company is receiving from 83 to 85 cents per barrel for this production. In addition the company owns a gas well and one-half interest in another with a potential flow of 900,000 cu. ft. daily.

Texas Output Low

In Rusk County, East Texas, the company has a 66 per cent interest in 20½ acres, on which a well came in with a potential production of 30,000 barrels daily but due to the drastic curtailment programme in effect is producing at the rate of 100 barrels daily.

In southwestern Ontario the company has drilled six additional gas wells to production and now has a flow accruing from 7½ wells, totalling 2,750,000 cu. ft. daily, all marketed to the Dominion Natural Gas Co. under contract.

SMELTERS OPTIONS COPPER PROSPECT IN NEWFOUNDLAND

Native Copper Found on Property Years Ago

Advice from St. John's, Newfoundland, says that the Consolidated Mining & Smelting Co. has taken an option from R. T. McGrath on copper prospects on the islands of Oderian and Patricks in Placentia Bay.

These islands are held under a fee simple grant from the Newfoundland Government and have an interesting history dating back to the late sixties when the late Chas. Fox Bennett was given a concession of over 1,000,000 acres of land on the south coast of the island indeterminate as to boundaries, but supposed to cover Placentia Bay, Fortune Bay and a part of Hermitage Bay. Although the concession was never absolutely recognized by the government of Newfoundland in the nineties it was sufficient to deter the government from granting any mining titles to these bays. More than thirty years ago Mr. McGrath, who was then living at Oderian, uncovered some veins of native copper and approached the government for a title. Since the government would not recognize a title from the executors of the Bennett estate, it introduced legislation in 1902, granting to the Bennett estate 50 sq. miles of mineral land in fee simple in lieu of any claims it had under the 1,000,000 acres concession. The title that Mr. McGrath holds to Oderian and Patricks island is through this act of legislature.

HARKER GOLD MINES ASSETS INCREASE

Meeting Reveals Company Has 3,300 Shares of Lake Shore

Annual meeting of Harker Gold Mines, held in Toronto on December 19, brought out the information that the company owned liquid assets valued at close to $100,000, including 3,300 shares of Lake Shore Mines and between $10,000 and $15,000 in cash.

The company's property, consisting of 18 claims in Harker township, Lightning River district, Ontario, has been inactive since October 29. J. E. Hammell, president of the company, said the low-grade ore properties were becoming more popular and the company had hopes of interesting a financial group in the company. A shaft has been sunk to a depth of 1,000 feet, and Mr. Hammell said that 35,000 tons of ore, ranging from $6 to $7 per ton in gold, had been opened up to above the 500-ft. level.

During the past year the company's investments have increased about 30 per cent, through dividends and appreciation in market value.

The meeting was of a routine nature, the existing officers and directors being re-elected.

Georgia River Gold Finishes Year's Work

Advice from Vancouver says the Georgia River Gold Mines had a satisfactory season of development this year, but owing to the unusual severity of the weather operations are now closed down temporarily.

The company owns approximately 34 claims on the Georgia River, eight miles from its mouth, 16 miles south from Stewart, B.C.

During the current year the Bullion tunnel was advanced and a crosscut started from it for the purpose of cutting the southwest vein under the ore shoot exposed in No. 1 tunnel. The total distance being driven on this level this past year was 224 ft., a further distance of 80 to 100 ft. must be driven before the objective is reached.

A crosscut has been started from the No. 3 tunnel with the object of proving up a quartz outcrop on the main vein on the east side of the Bullion creek, about 60 ft. distance.

Wellington Beaton, president of the company, says that as work, prior to this season, had indicated a considerable tonnage of mill feed, running from $8 to $35 a ton, the management hopes that the completion of the present programme will reveal sufficient ore to justify a mill.

Butter Production Higher

Butter production in Canada during the ten months ending October, 1931, showed an increase of 38,819,845 pounds, equivalent to 16½ per cent over the same period last year, according to figures compiled by the Dominion department of agriculture.

NIPISSING MEETING TO APPROVE DEAL IS HOTLY OPPOSED

Shareholders Told Management Empowered to Sign Agreement

The special general meeting of shareholders of Nipissing Mines Co., held in Toronto on December 19, to approve of the agreement to finance the Beattie Gold Mines, resulted in opposition from a group headed by Dr. F. R. Bennetto, of Hamilton.

The agreement that directors asked shareholders to confirm, called for Nipissing to provide ultimately for $1,120,000 in return for approximately 40 per cent interest in a company to be formed, known as the Beattie Gold Mines, Ltd., which would hold title to the Beattie claims, which have been under option and development by Ventures Ltd. and to bring it into production. Beattie Gold Mines is to have an authorized capitalization of 5,000,000 shares, 1,000,000 of which were to be immediately taken up by Nipissing at 40 cents per share and an option given to acquire an additional 300,000 at the same price. Further options gave the company the privilege of taking up an additional 600,000 shares at $1 per share.

To Loan $280,000

In addition, it was proposed that Nipissing would make a cash loan of $280,000 at 6 per cent interest to Ventures, Ltd., which would offer as security its holdings in the Ontario Refining Co., which has an interest payment due March next of about $40,000. The par value of the security offered was approximately $500,000.

E. P. Earle, president of Nipissing, who acted as chairman of the meeting, said the management held proxies for approximately 613,000 shares out of a total of 1,200,000 shares outstanding, while the opposition group showed proxies for 240,175 shares.

The Nipissing management was empowered to go ahead with the agreement if it so desired, Mr. Earle informed shareholders, but said that the directors felt it would only be fair to have the shareholders express an opinion on the proposition.

Mr. Earle outlined the agreement to the shareholders and said that the company had been criticized before for not securing a mining property which would serve to perpetuate the company as a mining enterprise. Approximately $30,000,000 had been paid in dividends in the past 26 years while the treasury has liquid assets of around $2,600,000, shareholders were told. Ventures Ltd. owns about 80,000 shares in Nipissing Mines, while its directors personally held between 20,000 and 25,000 shares, said Mr. Earle.

Hugh Park, general manager of Nipissing, explained the proposal to shareholders, saying that Ventures had spent about $400,000 on the property to date, and it was not expected that all the money under the terms of the agreement would be required. The money advanced to Ventures would be spent on the property which would retain 50 per cent interest in Beattie Gold Mines. Nipissing would ultimately have 40 per cent interest and the vendors 10 per cent. Beattie Gold Mines board of directors would initially be composed of three Ventures and two Nipissing nominees, but after Nipissing had provided $700,000 under the terms of the agreement, each could have equal representation on the board of directors. Ventures has the privilege of appointing the general manager and consulting engineer, while Nipissing appoints the assocate consulting engineer.

The opposition group was represented by counsel who raised objections, as follows, which he regarded as serious from the legal standpoint:

First: "In clause six of the agreement between Nipissing and Ventures, the latter company had stipulated that the management of the Nipissing Co. would at the meeting of the shareholders, vote all shares owned by them respectively and all proxies obtained by them to approve the entering into by Nipissing of said agreement."

Counsel stated that this fact had not been disclosed to the shareholders when sending out the notice calling the meeting and that therefore shareholders who had sent in proxies in favor of the management of the Nipissing Co. had done so in ignorance of the fact that the management had previously had their hands tied by the above mentioned clause in the agreement. He, therefore, warned the management that, if they voted the proxies, their action might be regarded as illegal.

Second: "That Ventures, Ltd., who were a party to the agreement and their directors, owned over 100,000 shares of Nipissing and he objected to any stock owned or controlled by them being voted, and also objected to the management of the Nipissing Co. voting on any of the proxies sent in to them on the ground that any such vote would be virtually on the dictation of Ventures."

One member of the opposition group said that the agreement means that Nipissing money is being used to develop a property that Ventures holds only under option that incurs no risk to it. Furthermore, Nipissing must lend Ventures $280,000, which for all he knew might never be returned.

Dr. F. R. Bennetto, in his objection to the proposed deal, made reference to the following claims:

(1)—Since the Lindsley brothers started operations in the province a few years ago, none of the companies organized by them has ever returned a dividend to shareholders.

(2)—There is nothing in the agreement to show how much money, if any, Ventures actually has in the properties mentioned in the agreement.

(3)—Under the proposed agreement Ventures, Ltd., and its nominees, are to get for the turning over of properties to the Beattie Company, over one-third of the total shares of the company, namely, 1,789,981 shares, while Nipissing puts up $400,000 and receives 1,000,000 shares or only a little over one-half that Ventures receives for turning over properties which "may prove worthless."

(4)—Nipissing does not even have the right to say how the $400,000 is to be spent.

The morning meeting which proved to be a stormy session, was resumed in the afternoon, only to be adjourned until December 29.

Tailings

A shareholders' meeting of Mintore Mines has been called for January 9 to consider a proposal to merge the company's property with that of Jackson Manion Mines and form a new company. Officials of Jackson Manion have already had such a proposal under consideration and it is planned that such a reorganization would provide for an exchange of the present shares for those of the new company to be formed, on the basis of five old for one new. Mintore would turn over the cash in its treasury to the new company. The Jackson Manion has no funds in its treasury.

* * *

Galatea Gold Mines Syndicate in Duparquet Township, Quebec, has started trenching in the low areas where moisture prevented such work during the summer. A recent report on the property by J. C. Huston gave assays of $3 to $4 per ton in gold over wide widths. Outcrops are reported scattered over a length of at least 5,000 feet.

* * *

The annual meeting of Moffatt-Hall mines in Haileybury last week was of a routine nature. No official statements were published, but it was learned that about 1,500,000 shares of the 5,000,000 shares authorized remains in the company's treasury. Work is now centred on the development of the 425 foot level.

* * *

A shipment of 500 lbs. of hand-picked ore by Wm. Longworth of Port Arthur, who is developing the gold property near Schreiber, gave a return of $218. A further shipment of two tons of hand-picked ore has been made and a car load is ready for shipment.

* * *

Capital Rouyn Gold Mines has acquired a group of 13 claims in Swayze Township from George Brown, the staker, on what is understood to be a stock basis. Plans call for development work to start at once under the direction of Colin Campbell. The company's property in Quebec has been idle since 1929, owing to lack of funds.

* * *

Engineers are reported to be examining several groups of properties for Central Manitoba Mines.

* * *

Keora Mines are reported to be negotiating for a low grade property in Duparquet township, Quebec, west of the Nipissing holdings. An official announcement is expected shortly.

* * *

La Roche Mines developing a property about three miles south of Hollinger in the Porcupine district, is to have a shaft sunk to a depth of 200 ft. Machinery is being taken into the property according to reports and operations are to start at an early date.

* * *

The 59th well of Petrol Oil & Gas Co. blew in with an initial flow of 41,400 cu ft. of gas daily, from the company's leases on the Six Nations Indian Reserve, near Brantford. It is reported that the company is now selling 12,500,000 cu. ft. of gas per month—the highest in the history of the company.

* * *

Approximately 2,500,000 shares of Abana Mines had been deposited for transfer at the close of business on December 15, for exchange into shares of Normetal Mining Corp., on the basis of ten old shares for one new. This indicates that approximately 70 per cent of the outstanding Abana shares have now been deposited.

* * *

Delta Mines Syndicate has just finished a drilling campaign on its property in the Sudbury area.

* * *

The report of mineral production in the Province of Quebec by the Quebec Mines Department shows that gold and silver production is being maintained on a level with previous months and slightly in excess of that of October. In November the gold production amounted to 25,915 ounces, silver 47,229 ounces, copper 5,465,307 ounces and asbestos 14,068 tons.

Trail Ore Receipts

Mine and Location	Dec. 8 to 14	Yr. to date
Aurum, Hope, B.C.	...	22
Bell, Beaverdell, B.C.	48	1,778
Big Missouri, Stewart, B.C.	...	101
Butcher Boy, Carmi, B.C.	...	31
Carr & King, Quesnel, B.C.	...	1
Catherine, Nelson, B.C.	...	20
Central Manitoba, Vadhope, Man.	...	1
Copper Basin, Princeton, B.C.	...	21
Davenport, Zwicky, B.C.	...	9
Euphrates, Nelson, B.C.	...	48
Golden Age, Nelson, B.C.	...	1
Gold King, Gray Creek, B.C.	...	2
Grey Copper, Sandon, B.C.	...	2
Highland Lass, Beaverdell, B.C.	...	352
Ivanhoe, Sandon, B.C.	...	14
I.X.L., Rossland, B.C.	...	10
Kerr, R., The Pas, Man.	...	27
Knob Hill, Republic, Wash.	...	384
Leadsmith, Sandon, B.C.	...	4
Little Daisy, Silverton, B.C.	...	3
Lone Pine Surprise, Republic, Wash.	...	23
Midnight, Rossland, B.C.	...	90
O'Brien, Cobalt, Ont.	...	475
Old Hickory, Republic, Wash.	...	36
Planet, Nicola, B.C.	...	94
Reno, Salmo, B.C.	...	36
Republic, Republic, B.C.	...	95
Ruth, Sandon, B.C.	...	198
Sally, Beaverdell, B.C.	...	111
Second Relief, Erie, B.C.	...	23
Silver King, Tulameen, B.C.	...	42
Silversmith, Sandon, B.C.	...	226
Snowdrop, Rossland, B.C.	...	1
Sunset, Orient, Wash.	...	47
Union, Lynch Creek, B.C.	37	1,594
Wellington, Beaverdell, B.C.	...	611
Wilcox, Ymir, B.C.	...	53
Waterloo, Edgewood	14	47
	99	6,613
Company mines	8,820	369,312
Total ore, week		8,919
Grand total yr. to date		406,516

GREENE-STABELL SEEKS FINANCES

Shareholders Were Told of Future Hopes at Meeting

Annual meeting of Greene-Stabell Mines, held in Toronto on December 19, disclosed that the company was seeking for money sufficient to bring its property into production.

The company owns a gold-copper prospect in the Hurricanaw district of Quebec, which has been developed to a depth of 600 feet, and which has been favorably reported on by E. W. Todd. Operations have been inactive since May, 1930, pending the securing of finances to permit mill construction. There is between $15,000 and $20,000 in the company's treasury and J. E. Hammell, president of the company, said he had hopes of raising funds that would permit placing the company into production.

ONTARIO GOLD IS $38,793,993 IN TEN MONTHS

Total Production Leads 1930 Figure By Big Margin

The report of the Ontario Department of Mines for November shows that 11 months operations of Ontario gold mines gave a production valued at $38,793,993, as compared with $35,518,862 for the entire year of 1930.

The Kirkland Lake camp led the Porcupine camp in production, as it has every month of the year except in February.

The average gold recovery per ton of ore treated in the Porcupine area was $6 per ton, as compared with $13.45 per ton in the Kirkland Lake area.

Fifteen properties contributed to the production. Individual mines, in order of output, were as follows: Lake Shore, Hollinger, Teck-Hughes, McIntyre, Wright-Hargreaves, Dome, Howey, Sylvanite, Coniaurum, Kirkland Lake Gold, Vipond, March, Barry-Hollinger, Parkhill and Minto.

The following is a tabulation of output for each month this year from the Porcupine and Kirkland Lake areas as compared with the same period of 1930:

Source and Period	1930 Total Value	1931 Total Value
Porcupine:		
Calendar year	$17,822,365	......
January	1,460,600	$1,572,678
February	1,313,661	1,608,239
March	1,464,947	1,580,468
April	1,561,925	1,681,805
May	1,545,110	1,415,905
June	1,347,189	1,584,020
July	1,467,220	1,673,144
August	1,260,860	1,692,709
September	1,416,673	1,981,624
October	1,507,071	1,671,035
November	1,517,137	1,579,296
Kirkland Lake:		
Calendar year	17,231,709	......
January	1,281,888	1,649,436
February	1,296,246	1,584,538
March	1,487,216	1,760,088
April	1,393,520	1,791,144
May	1,349,969	1,865,241
June	1,552,921	1,886,233
July	1,365,743	1,867,274
August	1,397,780	1,758,015
September	1,451,358	1,781,573
October	1,489,098	1,981,189
November	1,481,937	1,949,816
January	2,742,488	3,289,032
February	2,609,907	3,228,222
March	2,952,163	3,402,238
April	2,977,296	3,539,563
May	2,933,906	[illegible]
June	2,952,110	[illegible]
July	2,838,302	3,518,372
August	2,721,563	3,548,458
September	2,925,589	3,850,284
October	3,041,432	3,748,106
November	3,063,865	3,666,270

GRANBY EARNINGS FORCE DIVIDENDS TO UNDERGO CUT

Next Disbursement to be 50 Cents Per Share

Operating earnings of the Granby Consolidated, Mining, Smelting & Power Co. for the three months ended September 30, showed a loss as did they for the three months ended June 30. The other income, however, brought the profits for the period to $52,183, bringing the total profit for the nine months to September 30, to $229,666.

The following statement shows the profit of the company for the third quarter to September 30, as compared with 9 months period.

GRANBY EARNING	9 Mos. ended Sept. 30 $	3 Mos. ended Sept. 30 $
Opr. income	69,349	†5,696
Other income	160,317	57,879
Profit*	229,666	52,183

* Before depreciation, depletion and federal taxes.

† Loss.

Dividends have been reduced to an annual rate of 50 cents per share by the declaration of a dividend of 12½ cents per share payable February 1, 1932, to shareholders of record January 15, 1932.

The February and May quarterly disbursements were on the basis of $2 per share annually, while with the disbursement on August 1, the rate was reduced to an annual rate of $1 per share. The dividend just declared brings the annual rate to 50 cents per share.

While the disbursement is referred to as "dividend" in reality the company has paid no dividends since 1919. In 1927 payments were initiated to shareholders as a return of capital from reserve fund for depletion and depreciation. In 1927 $1 per share was paid. In 1928 it was increased to $3 per share and in 1929 $7 per share was paid, while last year $5.25 per share was distributed and this, which with the payment just announced, brings the total capital return to $17.62 per share.

Metal Prices

New York—December 22—

Copper: Electrolytic spot, 7¼c lb.

London—December 22—

(Long Ton)—

Copper: Electrolytic spot, £47; future, £49.

Standard spot, £40 2s 6d; future, £40 15s.

Tin: Spot, £141 17s 6d; future, £144 17s 6d.

Lead: Spot, £15 2s 6d; future, £15 10s.

Zinc: Spot, £14 7 6d; future, £15.

Silver: 20 5-16d. per ounce.

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